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Tahoe Truckee Community Foundation

Truckee North Tahoe Regional Workforce Housing Needs Assessment

August 1, 2016

bae urban economics

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Stacy Caldwell, CEO
Sara Schrichte, Project Manager
Tahoe Truckee Community Foundation
P.O. Box 366
Truckee, CA 96160

Dear Stacy and Sara:

Attached, please find a copy of the final Truckee North Tahoe Regional Workforce Housing Needs Assessment. Please do not hesitate to contact us if you have any questions.

Sincerely,

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FOREWORD

Throughout the Regional Housing Study, we often encountered the sentiment that a study is just a study.

Our community has seen studies come and go, using up public and philanthropic funds, engaging community members in a series of meetings, raising hopes and expectations, only to be told what we already know…that there is a need. Once the obvious is stated and officially adopted, those studies are often doomed to “sit on a shelf,” collecting dust and never revisited.

That is the tone and caution from our community that guided our approach to be realistic, inclusive, engaging and earnest. What we encountered from that approach is a willingness for our community to “lean-in” and share. Many of you shared publicly how housing impacts your business or your ability to fulfill your public duty. Many of you shared personal stories of your struggles and the challenge of hanging onto your hopes and dreams of being a long-time resident, and the fear of being priced out of the housing market and the community.

The stories themselves have been powerful, to truly understand the need from all angles across the community, but what has really captured our hearts and attention is the interest in meaningful solutions. From business leaders and policy makers to long-term residents and second homeowners, we are in no short supply of ideas to drive solutions. In addition, as we have been putting the finishing touches on the Study itself, many formal and informal conversations lead us to believe that we have yet to see the true momentum behind this work and that our community, and the powers that be, are each willing to do their part to drive solutions across this region to help and house the people of Tahoe.

Stacy Caldwell, CEO, Tahoe Truckee Community Foundation
Alison Schwedner, Director, Community Collaborative of Tahoe Truckee

ACKNOWLEDGEMENTS

To see the community really engage in this work has been an honor, and a pleasure to facilitate. Without the partners funding and providing oversight to the Study, we would not have a place to help build solutions. Without the community outreach partners who helped bring forth a diverse spectrum of community voices, we would not have the depth and breadth of understanding of the housing needs and the nuances involved. Finally, to each of you who have held us accountable along the way to remember that a Study is just the beginning, and the Solutions are truly the outcome, we are excited to continue our engagement with you along that path. To all who played a role in this important work, thank you.

Sara Schrichte, Project Manager, Regional Housing Study

Resource Partners:
Placer County
Nevada County
Town of Truckee
Workforce Housing Association of Truckee-Tahoe

Community Outreach Partners:
Community Collaborative of Tahoe Truckee (CCTT)
Family Resource Center of Truckee (FRCoT)
North Tahoe Family Resource Center (NTFRC)
Contractors Association of Truckee Tahoe (CATT)
Truckee Tahoe Community Television (TTCTV)
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We also gratefully acknowledge the more than 250 people who attended three public information workshops, the 16 community members who participated in the three special issue focus group sessions, the 1,627 individuals who participated in the employee survey, and the 353 business owners and managers who participated in the employer survey. Their input and guidance was invaluable throughout the course of this research and contributed directly to the development of the findings and recommendations presented herein.

DEFINITION OF TERMS

The following are definitions for several terms that are used frequently throughout this report.

Above Moderate-Income: Households categorized as above moderate-income include those with annual incomes that are equal to greater than 120 percent of the area median income for the county in which the household resides, which is adjusted for household size.

Affordable Housing: Under federal statutes, housing is considered affordable when it requires the dedication of no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowners' association fees, and other related costs. This housing may, or may not, be deed-restricted to ensure that rents or sales prices do not rise above the specified levels.

Area Median Income: The median household income for a given area represents the income threshold at which all households can be divided into two groups of equal size, half with incomes below the threshold and half with incomes above the threshold. Note that median income estimates are often adjusted to account for household size, recognizing that larger households must make more in order to achieve a similar standard of living compared to smaller households.

Below Market Rate Housing: Refers to properties that are leased or sold at prices that are below the current market value. Such units may, or may not, feature deed-restrictions that limit occupancy to income qualifying households (i.e., income-restricted).

By-Right Development: Refers to projects that are permitted under their current zoning and/or other development regulations and do not require any additional legislative or administrative action in order to proceed.

Deed Restriction: A requirement or covenant, recorded with the land and/or property, that binds current and future owners regarding the use of the property. Examples of deed restriction include limiting occupancy or sale of the property to lower-income households or households that permanently live or work within the local community.

Extremely Low-income: Households categorized as extremely low-income include those with annual incomes that are equal to 30 percent, or less, of the area median income for the county in which it is located which is adjusted for household size.

Housing Cost Burden: A household's housing cost burden is defined as the percent of household income that is spent each month on housing related expenses. For renters, this includes rent, plus utility costs. For homeowners, this includes mortgage principal and interest payments, property taxes, and hazard insurance, but excludes utility costs. An excessive housing cost burden is defined to include housing costs that exceed 30 percent of a household's monthly income. An extreme housing cost burden is defined to include housing costs that exceed 50 percent of a household's monthly income.

HUD Adjusted Median Family Income: Equal to the area median income (see above) for family households, excluding one-person households and multi-person households comprised of unrelated individuals. This is based on the Census definition of a family, which includes a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption.

Inclusionary Housing Program: A local policy or ordinance that requires developers of residential real estate to set aside a portion of the developed units as below-market rate housing. Developers can often meet inclusionary housing requirements through the production of below-market rate housing units on the same site as the remaining market rate units, or on a separate site. Developers also often have the option of paying a monetary fee to an appropriate local government agency, in-lieu of developing the units themselves.

In-Lieu Fee: See *Inclusionary Housing Program* or *Workforce Housing Program*. May also pertain to other development requirements.

Income-Restricted Housing: Refers to housing that is reserved for occupancy by households with incomes that fall within a specified range. In order to qualify to lease or purchase an income-restricted housing unit, the prospective occupant must verify their income. Income requirements are typically recorded and enforced through deed-restriction.

J1 Visa Program: The Exchange Visitor (J) non-immigrant visa category is for individuals approved to participate in work- and study-based exchange visitor programs by the U.S. Department of State. An assortment of J1 programs enable foreign nationals to come to the U.S. to teach, conduct research, demonstrate special skills, or received job training. This includes the Summer Work Travel Program, which provides temporary work and travel opportunities to college and university students enrolled full-time in post-secondary educational institutions located outside the U.S. and its territories.

Low-Income: Households categorized as low-income include those with annual incomes that are equal to more than 50 percent, but not more than 80 percent, of the area median income for the county in which it is located, adjusted for household size.

Moderate-Income: Households categorized as moderate-income include those with annual incomes that are equal to more than 80 percent, but not more than 120 percent, of the area median income for the county in which it is located, adjusted for household size.

Middle-Income: Households categorized as middle-income typically include those with annual incomes that are equal to more than 120 percent, but not more than 150 percent, of the area median income for the county in which it is located, adjusted for household size.

Very Low-income: Households categorized as very low-income include those with annual incomes that are equal to more than 30 percent, but not more than 50 percent, of the area median income for the county in which it is located, adjusted for household size.

Workforce Housing: Workforce housing is targeted to be accessible to households that include members of the local workforce. Workforce housing may or may not be rented or sold at below market rates. Workforce housing may serve a range of household income levels; however, the income levels targeted for workforce housing are often limited to those who do not otherwise qualify for subsidized rental or for-sale housing, but who may still have difficulty affording market rate housing.

Workforce Housing Program: A policy or ordinance that requires new non-residential projects to mitigate the impact on workforce housing demand created by the businesses that would be housed in the development. Developers can often meet workforce housing requirements through the production of housing units on the same site as the remaining development, or on a separate site. Developers also often have the option of paying a monetary fee to an appropriate local government agency, in-lieu of developing the units themselves.

EXECUTIVE SUMMARY

As a widely recognized domestic and international tourism destination, the Truckee North Tahoe region faces a broad spectrum of complex housing issues. As in many resort and visitor-oriented communities, large seasonal fluctuations in retail and service-oriented employment, as well as a visitor-oriented real estate market, create a disconnect between the needs of the regional labor force and the housing resources that are made available by the market. Recognizing these issues, the Community Collaborative of Tahoe Truckee (CCTT), hosted a housing conversation, moving local leaders to fund and plan a regional housing needs study. By Fall 2015, funding coalesced under the guidance of the Tahoe Truckee Community Foundation (TTCF), which acted as a neutral convener, assembling diverse regional partners and stakeholders to assess regional workforce housing needs and to evaluate a range of potential local and regional solutions. Key funding partners for this study include Placer County, Nevada County, the Town of Truckee, and the Workforce Housing Association of Truckee-Tahoe. Other key partners include the Family Resource Center of Truckee (FRCoT), the North Tahoe Family Resource Center (NTFRC), the Contractors Association of Truckee Tahoe, Truckee Tahoe Community Television, and Elevate Tahoe. BAE Urban Economics, Inc. (BAE), a private consulting firm, was retained to conduct the assessment.

Study Area Definitions

In order to collect pertinent demographic and economic data, this study defined two distinct study areas. The first, known as the Truckee North Tahoe Study Area was defined based on 2000 and 2010 Census Block Groups and includes the area extending from the Town of Truckee and to the north shore of Lake Tahoe. This includes the communities of Kings Beach, Tahoe City, and Tahoma, as well as areas along Highways 267 and 89 South. It also extends westward to include Donner Summit and Serene Lakes, including Sugar Bowl, Boreal, Soda Springs, and Royal Gorge. To the east of the Town of Truckee, the region extends to the California-Nevada State line, including the communities of Hinton, Hirschdale, and Floriston. The second study area is referred to as the Comparison Counties and includes an area covering Placer County and Nevada County.

Outreach and Public Participation

As part of this project, TTCF coordinated an extensive community outreach and public participation program, which included local employee and employer surveys and a series of five public forums (including informational presentations and community storytelling), as well as the formation of a Technical Advisory Group that provided ongoing input and direction for the study. TTCF also organized and recruited participants for three focus group sessions that were then facilitated by BAE. TTCF also coordinated with a variety of local and regional media outlets to disseminate information and build awareness around the issues and the study, as well as its objectives and process.

Summary of Key Findings

Below is a brief summary of key findings that came out of regional workforce housing needs assessment. For a more comprehensive analysis, and to view the data and methodologies underlying the analysis, please refer to the full report.

Population and Household Characteristics

- The permanent resident population in the Study Area contracted at a rate of 0.6 percent per year between 2000 and 2010-2014, resulting in the loss of 2,200 residents.
- The permanent resident population in the Comparison Counties expanded at a rate of 2.5 percent per year during the same period, resulting in the addition of nearly 120,000 residents.
- Most communities within the Study Area also experienced notable population losses, with the exception of the Town of Truckee and Sunnyside-Tahoe City, which added population.
- Sewer flow data collected from the region's Public Utility Districts (PUDs) indicate that peak seasonal visitation tends to occur during the months of July and August.
    - This runs counter to the seasonal fluctuations in employment, which indicate peak employment between December and March and July and August, with the summer peak achieving a lower employment total compared to the winter peak.
    - This is attributable to an influx of summertime visitors, recognizing that summertime visitor-serving industries may require less labor than winter-oriented industries.
    - Communities located on, or adjacent to, the Sierra Crest experience higher winter season sewer flows, corresponding to significant wintertime visitation to the ski resorts, while communities located elsewhere in the Study Area, like Truckee and the North Shore, are more deeply impacted by summertime visitation.
- Household characteristics have remained relatively stable within the Study Area since 2000.
    - Households in the Study Area feature an average size of 2.5 persons and are predominantly families, with Truckee and Kingvale having above average proportions of family households.
    - Household sizes also range throughout the region from as few as 1.23 persons per household in Soda Springs to 2.91 persons per household in Kings Beach.

    - While the majority of households own their homes, the proportion declined by 3.5 percentage points since 2000.
    - Home ownership also varies throughout the region, with the highest homeownership rates in Sunnyside-Tahoe City, Carnelian Bay, and Dollar Point, and the lowest ownership rates in Soda Springs and Kings Beach.
- Residents in the Truckee North Tahoe Study Area are generally younger than their counterparts living elsewhere in Placer and Nevada Counties, though the median age in both study areas was higher than the California median.
- The median household income in the Study Area was lower, and grew more slowly, than in the Comparison Counties, indicating that the income gap is widening.
    - The two communities with the highest median income estimates include the Town of Truckee and Carnelian Bay, while the two communities with the lowest median income estimates include Soda Springs and Kings Beach
- After adjusting for inflation, both study areas experienced a real decline in household purchasing power since 1999, an effect that was somewhat greater in the Study Area.
    - The data indicate that communities within the region have experienced differing degrees of income stagnation.
- Lower-Income households (with incomes of 80 percent, or less, of the area median) account for around 36.6 percent of all households, while moderate-income households (with incomes of 80 to 120 percent of the area median) account for another 18.3 percent.
    - Renter households are significantly more likely to be lower-income.
- If it maintains its current share of the broader bi-county population and household totals, the Study Area may be expected to gain approximately 5,500 new residents and 2,720 new households between 2015 and 2030.

Economic and Workforce Trends

- The dominant employment sectors in the Study Area include Accommodation and Food Services; Arts, Entertainment, and Recreation; and Construction.
- As a result of the significant concentration in visitor- serving sectors, the Health Care and Social Assistance and Public Administration sectors are notably underrepresented in the Study Area.
- The Study Area experiences significant seasonal fluctuations in employment, with the peak employment season occurring during the winter months, from December through March, when the region’s nine major ski resorts are in full operation.
    - Employment contracts during the spring shoulder season in April and May.

- June represents the beginning of the summer tourist season, though the summer-time peak employment levels are typically somewhat less than the winter-time peak.
    - This seasonality is primarily driven by employment changes in the Accommodation and Food Service and Arts, Entertainment, and Recreation sectors.
- Unemployment in the Study Area is consistently below the statewide average, though it generally tracks with the broader regional and statewide trends.
    - The local unemployment rate varies throughout the Study Area, though most communities tracked fairly closely with the regionwide trend.
    - As of 2015, Kings Beach, Sunnyside-Tahoe City, and Truckee had the lowest annual average unemployment rates, while Dollar Point had the highest.
- An above-average proportion of the local labor force is employed in often seasonal and lower wage service-oriented occupations, such as Food Preparation and Service-Related Occupations, and Building Materials and Grounds Cleaning and Maintenance Occupations.
- An estimated 58.6 percent of Study Area workers commute in from outside the area, while 46.6 percent live in the Study Area, but commute out for work.
- If it maintains its current share of the broader bi-county industry employment totals, the Study Area may be expected to gain approximately 4,000 new jobs between 2015 and 2030.

Housing Stock Characteristics

- Single-family housing units predominantly comprise the housing stock in the Study Area, with below-average proportions of attached and multifamily units.
    - There are four communities with above-average proportions of multifamily units, including Dollar Point, Kings Beach, Soda Springs, and Tahoe Vista.
    - While the Town of Truckee had a below-average proportion of multifamily units, it has the largest number of multifamily units of any community in the region.
- The Study Area contains approximately 17,100 housing units that are greater than 30 years old, meaning that they may be in significant need of repair or replacement.
    - Areas with notable concentrations of older housing units, possibly in need of rehabilitation or replacement, include Kings Beach, Downtown Truckee, and areas near Donner Lake, among others.
- The average residential vacancy rate in the Study Area was 64.5 percent between 2010 and 2014, compared to 14.1 percent in the Comparison Counties.

- Nearly all of the individual communities located within the Truckee North Tahoe region experienced similarly high levels of residential vacancy.
- Residential vacancy is being driven by large numbers of units held vacant for seasonal or occasional use.

- Data on the number of housing units by size and tenure indicate that there is a mismatch between the housing stock, which is biased toward larger units, and household characteristics, where nearly two-thirds of all households contain only one or two people.
- Households in the Study Area are more likely to live in overcrowded conditions, compared to households in the Comparison Counties.
- Among all households in the Study Area, 49.1 percent pay greater than 30 percent of their income to housing costs, while 26.1 percent pay greater than 50 percent.
    - Lower-income households and renter households are the most likely to overpay for housing, compared to higher-income households and owner households.

Housing Market Conditions

- The median sale price for single-family homes sold in the Study Area during the six-month period ending in November 2015 was $538,000.
    - The communities with the highest median single-family sales prices include Olympic Valley, Martis Valley, Homewood, Tahoe City, Alpine Meadows, and Carnelian Bay, with the lowest median sales prices in Tahoma, Truckee, and Kings Beach.
- The median sale price for condominium units was lower, at $330,000.
    - The communities with the highest median condominium sales prices include Alpine Meadows, Homewood, Olympic Valley, and Norden, with the lowest median sales prices in Carnelian Bay, Truckee, Tahoe Vista, and Kings Beach.
- The maximum for-sale home price that could be considered affordable to a three-person, lower-income household is equal to less than $210,000, with the price affordable to a four-person lower-income household equal to less than $235,000
- Multifamily rental rates in the Study area, as of fall 2015, range from $950 to $1,200 per month for a studio unit, to $1,500 to $1,550 for a four-bedroom unit.
- Long-term private home rental rates range from $750 to $1,000 for a studio unit to $1,725 to $3,000 for a four-bedroom unit.
- The maximum monthly rental rate that could be considered affordable for a lower-income household ranges from $1,000 for a studio unit to $1,512 for a four-bedroom

unit, with rates that would be affordable to extremely low- and very low-income households ranging from $334 to $600 for a studio unit to $475 to $895 for a four-bedroom unit, depending on household size.

- Investor decisions regarding whether to lease privately owned housing units on a short-term (i.e., nightly vacation rental) versus long-term basis (i.e., monthly, seasonal, or year-round lease), depend primarily on how often the property owners wish to use the properties themselves.
    - Property owners choose to lease their properties in order to offset the carrying costs of owning a second home.
    - Short-term rentals allow for frequent use of the property by the owner, but require more ongoing management and attention.
    - Long-term rentals require less ongoing attention by the property owner, but preclude the use of the property by the owner.
    - In order for short-term rentals to generate greater revenue than long-term rentals, recognizing seasonality of demand, they must be managed actively and aggressively.
- According to Transient Occupancy Tax (TOT) filings, the majority of the region's short-term rental properties are concentrated on the west shore of Lake Tahoe, with other notable concentrations surrounding Northstar and Squaw Valley.
- There are 474 below-market rate housing units in the Study Area, with all of the complexes, except for Kings Beach Housing Now, located in the greater Truckee area.
    - All of the subsidized affordable rental complexes contacted for this research identified strong demand for subsidized units in the Truckee North Tahoe region.
    - The seven surveyed complexes all reported zero vacancies and waiting times ranging from six months to two years.
    - Demand is reportedly coming from area employees, many of whom are seasonal workers or are employed year-round in the accommodations and food service industry at casinos and hotels, or in construction and maintenance occupations.
    - Property managers indicated that market demand for affordable units is deepest for one- and two-bedroom units.
- There are 10 residential projects currently proposed or under development in the region that could add upwards of 520 new housing units.

    - This could include seven projects in Truckee, totaling up to 396 units, and three projects in Alpine Meadows and Olympic Valley, totaling up to 128 units.

- There are two projects (not including the Martis Valley West Parcel Specific Plan and the Village at Squaw Valley Specific Plan) currently proposed for development that would be subject to applicable workforce housing mitigation requirements. These include the Tahoe City Lodge and the Tahoe Expedition Academy.

- In addition to the proposed development projects already mentioned, there are a number of master plans, specific plans, and area plans in place, or under review, which could significantly impact the delivery of residential units within the region, though most are subject to at least some degree of public controversy and/or opposition.

    - The Truckee Springs Master Plan includes a 26.2-acre site located at the west end of Truckee's South River Street. Development on the site would likely include four parcels designated for single-family residential development, which would most likely yield 40 single-family units, but could also yield up to 80 multifamily units, or a 120 room hotel at the western edge of the site. Development would be subject to inclusionary and/or workforce housing mitigation requirements.

    - The Joerger Ranch Specific Plan (PC-3) received approval from the Town of Truckee in January 2015. Located on 67 acres, development would include commercial, office, and industrial uses, with approximately four acres set aside for higher density multifamily workforce housing, with a total yield of 72 to 80 units. Development would be subject to inclusionary and/or workforce housing mitigation requirements.

    - The proposed Village at Squaw Valley Specific Plan, as of this writing, envisions the addition of more than 200,000 square feet of commercial space and 850 residential units on a 94-acre project site. Nearly all of the proposed housing would be used for tourist accommodations. Development under the Specific Plan is anticipated to generate approximately 574 new full-time jobs at final build-out. Development would be subject to workforce housing mitigation requirements. The proposed zoning on the Squaw Valley East Parcel would be sufficient to accommodate residential facilities for up to 300 people. Assuming that the site is reserved for workforce housing, this would be sufficient to meet the project's statutory workforce housing obligations.

    - The Martis Valley West Parcel Specific Plan provides for the transfer of development rights associated with 760 residential units and 6.6 acres of commercial land designations from the Martis Valley East Parcel to the Martis Valley West Parcel. The development rights associated with the remaining 600 residential units on the East Parcel will be permanently retired. Therefore, the maximum development potential would be reduced from 1,360 units to 760 units. The probable residential unit mix would include 375 single-family lots, 265 townhomes or multiplex units, and 120 cabins. Inclusionary and workforce housing requirements would likely be satisfied through the payment of in-lieu fees totaling approximately $2.0 million.

    - The Soda Springs Area Plan is focused on providing opportunities for commercial and recreation-oriented development adjacent to Interstate 80, and would increase the allowable residential density in commercial zones from four units per acre to six units per acre and would allow duplex units in the Multi-Family Medium Density (R3) zone on parcels of less than one-half acre in size.

- A housing sites inventory compiled based on information contained in the Housing Elements of each jurisdiction, and updated with the assistance of Town and County staff, identified a total of 170 housing opportunity sites located within the Study Area.
    - 119 sites are in lower density zoning districts, with allowable densities of between zero and five dwelling units per acre, which could yield up to 2,015 units.
    - Only nine sites are in medium density districts, with allowable densities between six and ten dwelling units per acre, which could yield up to 1,594 units.
    - 42 sites are in high density zoning districts, with allowable densities in excess of 10 dwelling units per acre, which could yield up to 3,788 units.
    - Based on this inventory, the region has a remaining capacity of at least 7,397 housing units, which may be augmented through approval of future zoning changes.

Local Housing Programs and Policies

- Housing policy within each jurisdiction is governed by the Housing Element of each respective General Plan, which the jurisdictions are required to update periodically.
    - Each jurisdiction is required to accommodate its “fair share” of the regional housing need and to take actions, as necessary, to ensure the availability of sites with capacities sufficient to accommodate that need, at densities that promote certain levels of affordability. Jurisdictions are also required to include provisions promoting the development of a diversity of housing types.
- While the policies and programs in place within each jurisdiction vary considerably, some key policies and programs in common use throughout the region include, but are not limited to:

- Allowing second dwelling units, manufactured and mobile units, and attached housing types as permitted uses in zoning districts that permit single-family units.
- Leveraging government owned property and working with other jurisdictions to land bank parcels for future development of affordable and workforce housing.
- Requiring that a portion of the land in a Community Plan or Specific Plan be set aside for development of affordable housing.
- Requiring new commercial development to mitigate for the potential impacts on employee housing demand.
- Providing density bonuses and other concessions to encourage construction of multifamily and single-family units for very low- and low-income households.
- Allowing fee waivers and the relaxation of certain development standards as incentives for the development below market rate housing.
- Permit processing priority or streamlining for projects that include affordable housing.
- Developing, and offering free of charge, prototype plans for second units to bring down permit costs.
- Educating the public on the myths and realities of multifamily housing, affordable housing, and supportive housing, to improve community support.

- Other policies and programs in less common use, which may be of interest, include:
    - Pursuing the use of all available resources for the rehabilitation and conservation of the existing housing stock.
    - Annually evaluating the inventory of available sites and to ensure the availability of sites at appropriate densities.
    - Establishing minimum residential density standards.
    - Implementing inclusionary housing policies that require all new development projects to include affordable housing units or to pay an in-lieu fee.
    - Encouraging alternative housing types such as co-housing and micro-housing to meet the diverse housing needs of all segments of the community.
    - Requiring replacement of any affordable units lost through conversion of a mobile home park to non-affordable housing or another use.
    - Working with special districts to inventory lands that could be leveraged to support workforce and affordable housing development.

- Each jurisdiction provides a unique array of direct housing assistance, which varies primarily based on the availability of financial resources.
  - Nevada County offers five different housing programs, including down payment assistance, rehabilitation loans, weatherization grants, and tenant-based rental assistance.
  - Placer County offers five different housing programs, including a housing trust fund, three different homebuyer assistance programs, and a housing rehabilitation loan program. The County also enforces an employee housing mitigation policy.
  - The Town of Truckee offers three different housing programs, including two first-time homebuyer assistance programs, in addition to participation in the Martis Fund Homebuyer Assistance Program. The Town also has both inclusionary and workforce housing ordinances.
  - Staff with each jurisdiction indicated, fairly consistently, that the primary challenges to implementation of the Housing Element policies and programs include sales price and income limitations of grant funds, a lack of dedicated funding committed, and an overarching shortage of housing that is available for full time occupancy, especially at lower price points, as well as the high cost of administering such programs.
- The transfer of development rights program administered by the Tahoe Regional Planning Agency (TRPA) also contributes significantly to the cost of housing development within the basin, which generally functions as an incentive for development of higher value luxury units.
  - Development requires the acquisition of development rights, coverage, and residential development allocations, often at considerable cost.
  - The 2012 Regional Plan provides policies encouraging affordable housing development in the basin. These include the provision of modest incentives and the promotion of such housing in proximity to employment centers.
- There are more than 15 special districts located within the Truckee North Tahoe region. These agencies may possess lands and other resources that could be leveraged to promote workforce housing development.
  - Research also indicates that some of the fees levied by special districts, such as utility connection fees, among others, are charged on a flat rate basis, which can act to discourage the development of smaller, more efficient units.

Employee and Employer Survey Results

- As part of this research, BAE administered two surveys between January and April of 2016, to ascertain the characteristics and needs of workforce households, and to identify how businesses are impacted by, and responding to, current conditions in the housing market.
- A total of 1,627 unique individuals responded to the employee survey, including 134 surveys that were completed in Spanish. The business survey received 353 unique responses.
- The employee survey covered a variety of topics related to the respondents' personal and household characteristics, including age profile, household composition, residence and work locations, income and employment characteristics, and stated housing preferences and needs.
  - The majority of respondents were aged between 24 and 40 years, with the most frequently cited age bracket being the 31-40 age group.
  - Employee households are fairly evenly split between married and non-married households.
  - Around 50 percent of survey respondents live in, or near, Truckee. Other notable residence locations include Tahoe City (11 percent) and Kings Beach (11 percent).
  - Conversely, 48 percent of survey respondents work in Truckee, with 18 percent working in Tahoe City and 16.5 percent working in Olympic Valley.
  - Survey respondents employed in professional and business management occupations account for 47.3 percent of the respondent pool, with 22.8 percent working in retail and other service industries, 9.7 percent working as tradespeople, and 20.2 percent working in other, less clearly defined occupational categories.
  - Approximately 65 percent of all employee survey respondents indicated that they hold more than one job. This proportion is much higher among workers who live within the region and lower among workers who reside outside the Truckee North Tahoe area.
  - Employee survey respondents are much more likely to rent their accommodations, compared to the average Study Area resident.
  - Employee survey respondents are less likely to occupy single-family units, and more likely to live in condominium, mobile home, and duplex type units, as well as dormitories, RVs, and non-traditional housing units, including in some

cases, spaces that were not originally intended for occupancy (such as garages, cars, and tents).

- Survey respondents reported a significant prevalence of overcrowding.
  - Of those who reported overcrowded conditions, half reported accommodating three people per bedroom, while the remaining responses reported between four and nine people per bedroom.
  - Over half of the reported overcrowded studio and one-bedroom units are located in Kings Beach, while the remaining are located in Truckee.
  - Over half of these units are apartments, while 15 percent are single-family homes and eight percent are mobile homes.
- The median rental rate was $1,350 per month, which is consistent with the reported asking rents for one- and two-bedroom apartment and single-family rentals.
- The median mortgage payment was $1,845. This corresponds to an affordable sales price of $279,960, which is considerably lower than the current median sales price.
- Approximately 77 percent of the employee survey respondents that live within the Study Area pay greater than 30 percent of their income for housing, while 32 percent pay greater than 50 percent of their income for housing.
- Roughly half of the employees surveyed as part of this research indicated that they were satisfied with their current housing situation.
  - 37 percent indicated that they were “somewhat satisfied” and 16 percent indicated that they were “unsatisfied”.
- The most frequently cited reasons for being less than satisfied include:
  - The need for housing that is more affordable;
  - A desire for a home that is in better condition or which has features that better suit their needs:
  - The desire to purchase a home (for those who are currently renting); and
  - The desire to secure a unit that is larger and better suited to the needs of their family/household.
- The primary challenges to securing housing in the Study Area include:
  - Lack of affordability (both rental and for-sale);

        - Inability to afford the security deposit;
        - Inability to find year-round housing;
        - Difficulty finding housing for people with pets;
        - Challenges finding roommates;
        - Poor quality/poorly maintained housing;
        - Lack of sufficient down payment; and
        - An inability to find a suitable home
    - Persons who completed the survey in Spanish tend to be somewhat older, lower-income, and predominantly work in service-related occupations.
        - Most Spanish speaking respondents live in multifamily apartments, with a minority living in mobile homes and single-family residences.
        - These respondents were much more likely to live in overcrowded conditions, compared to all employee survey respondents and were much more likely to be only "somewhat satisfied" or "unsatisfied" with their housing situation.
        - Spanish speaking respondents were somewhat less concerned with buying a home, and more concerned with affordability and finding a home that is larger and/or in better condition that fits the needs of the immediate family.
- The employer survey was designed to better understand the impact on businesses and to identify what businesses are doing to support their employees. It covered a variety of topics, including the seasonal employment trends, anticipated labor demand growth, the impact of housing availability on recruitment and retention, and employer provided housing assistance.
    - Employer survey respondents identified two peak employment seasons, with the winter season spanning the period from December through March, while the peak summer employment season spans July and August.
    - Survey respondents are fairly optimistic regarding their future economic prospects, with the majority anticipating that their workforce needs will grow in the next five years.
    - All businesses reported the majority of their employees are year-round residents, and that college age workers, semi-retired persons, and workers from outside the United States (J-1 visa holders) comprise the remainder.

- 82 percent of respondents reported that the availability of suitable housing for workers impacts recruitment and retention, with approximately 48 percent reporting that housing availability impacts their business "significantly."
    - This sentiment was consistent among every industry sector, regardless of whether or not their clientele are predominately residents or visitors.
- Very few businesses reported providing any type of housing assistance to their employees, though some report offering wages that are higher than what they might otherwise offer, recognizing the high cost of housing.
- The majority of all businesses who responded said the availability of suitable housing for workers in the Tahoe/Truckee area negatively impacts the success of their business.
- Almost all businesses responded that lack of affordable housing, lack of rental housing, insufficient availability of housing (both ownership and rental), and shortage of housing for year-round residents are the issues most severely impacting the adequacy of housing for workers in the Truckee North Tahoe area.

Workforce Housing Demand Estimates

- Though the workforce housing demand estimates presented as part of the regional workforce housing needs assessment were derived based on the best information currently available, they represent only a reasonable estimation of the existing unmet housing demand within the region and should be interpreted with caution.
- The estimates reflect demand from existing resident, non-resident (in-commuter), and seasonal worker households and, as such, illustrate the mismatch between the available housing stock and the types of housing that may best suit the needs of the workforce.
- The estimates should not be interpreted strictly as the number of new units to be built, but as the number of units that need to be "made available" to meet the needs of the workforce.
- The unmet demand may be addressed not only through new development, but also through programs aimed at residential rehabilitation, as well as programs targeted towards improving affordability and availability within the existing rental and for-sale housing stock.
- Table ES-1 reports the total unmet housing demand originating from existing resident, non-resident, and seasonal workers. Based on community preferences, programs may be targeted towards one, or all of these groups.

Table ES-1: Unmet Demand by Workforce Household Type and Income Category

	Workforce Household Type			
Household Income Category	Year-Round Resident (a)	Seasonal Resident (a)	Non-Resident (b)	**Total, All Households**
Extremely Low Income (≤ 30% of AMI)	379	274	258	911
Very Low Income (> 30% ≤ 50% of AMI)	440	269	986	1,695
Low Income (> 50% ≤ 80% of AMI)	884	291	1,373	2,548
Moderate (> 80% ≤ 120% of AMI)	1,001	168	1,330	2,499
Above Moderate (>120% AMI)	1,396	194	2,917	4,507
Total, All Income Categories	**4,100**	**1,196**	**6,864**	**12,160**

Notes:
(a) Unmet resident workforce housing demand estimates are based on gross demand for year-round resident and seasonal resident workforce housing reported in Appendix K, multiplied by the proportion of households within each income category that experienced one of the four HUD defined housing problems between 2008 and 2012, as reported in the HUD Comprehensive Housing Affordability Strategy (CHAS) dataset.
(b) Unmet non-resident workforce housing demand estimates are based on gross demand for housing by in-commuters who indicated that they would relocate into the Study Area if affordable and adequate housing options were made available, reported in Appendix K.

Sources: Census Bureau, 2010-2014 American Community Survey, Public Use Microdata Sample, 2016; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2016; U.S. Census Bureau, Nonemployer Statistics, 2016; California Department of Housing and Community Development, Income Limits, 2016; Department of Housing and Urban Development, 2008-2012 Comprehensive Housing Affordability Strategy, 2016; BAE, 2016.

Workforce Housing Case Studies

- BAE worked with the TAG to identify a list of ten communities located throughout North America, which have implemented workforce housing programs of various types, or which have utilized certain regulatory or financial instruments which are of interest.
- BAE then performed limited research in order to narrow the list down to four communities, which were targeted for in-depth research, including Aspen and Pitkin County, Colorado; Jackson and Teton County, Wyoming; Mammoth Lakes, California; and Park City, Utah.
- The results of both the preliminary and in-depth the case study research helped to inform the policy and program options presented in this report, although the options were not limited to those identified in these case studies.

Summary of Policy and Program Options

The final section of the report presents a range of workforce housing policy and program options, which are outlined below, for consideration by regional stakeholders. The options are by no means all-inclusive or exhaustive, recognizing that stakeholders may identify additional options that better suit local needs and preferences. The options can also be considered as a menu of items, which can be implemented in varying combinations and sequences. Each of the options has a certain level of stand-alone utility, though greater effectiveness and results will likely be achieved if multiple options are layered, or packaged, together. A comprehensive approach will be necessary to effectively address the complex problem of regional workforce housing availability and affordability. The following outline of policy and program options should not be construed as an endorsement by the TAG, the TTCF, CCTT, or any other participating agency. Rather, the community will need to engage in an additional dialogue, as necessary, to build consensus regarding appropriate solutions. The program options are organized under the following three categories:

- Policy Options (including Housing Product Types)
- Organizational Options
- Funding Options

Within each of these categories, one “Cornerstone” option is identified. These are actions that are likely to have major impacts, but may also require significant commitments of resources for implementation. Additional “Supporting” options are also identified for each Cornerstone option. Some of these activities may be more modest in their potential impact, but can help to better ensure the success of Cornerstone actions and/or help create more modest short- or medium-term benefits before Cornerstone actions can be fully implemented. Please refer to the Regional Workforce Housing Policy and Program Options chapter in the main body of the report for more detailed descriptions of the policy and program options and the rationale for each.

Policy Options, Including Housing Product Types
Cornerstone Action 1: Regional Workforce Housing Action Plan
This action calls for the development of a Regional Workforce Housing Action Plan (RWHAP), after consideration of the options outlined in this report that identifies priority actions and projects to be undertaken within the region to expand, diversify, and increase affordability of the regional housing supply, and outlines quantified objectives for workforce housing supply expansion, a schedule, and roles and responsibilities of stakeholders. The plan should identify the organizational approach to regional coordination, a policy agenda, and funding sources, as well as other topics as determined appropriate.

Supporting Actions

1.a) Housing Production Targets – to measure progress towards defined housing production goals.

1.b) Housing Mitigation Regulations and Requirements - to help achieve the goals for production of workforce housing targeted to various income levels including mitigation requirements for new residential development and mitigation requirements for new commercial developments.

1.c) Housing Development Standards - to provide regulatory guidance for development of new housing that reinforces goals of the RWHAP, including a diversity of housing choices

1.d) Incentives – to encourage property owners and developers to construct and manage housing in a manner that helps achieve regional housing goals

1.e) Resident and Employee-Based Housing Assistance Programs – to assist workforce households to better afford suitable housing from within the existing housing stock, so that housing programs are not entirely dependent upon new construction

1.f) Voluntary Resident/Employee Deed Restriction and Unit Banking Programs – to encourage conservation of the existing housing stock for year-round resident use, and to encourage existing housing that is used for seasonal use or vacation rentals to be made available for occupancy by year-round residents

1.g) Affordable and Workforce Housing Enforcement – to ensure consistent compliance with established policies and rules regarding affordable and workforce housing

1.h) Housing Rehabilitation and Preservation – to help maintain the existing supply of housing that is accessible to the workforce

Organizational Options

Cornerstone Action 2: Establish a Regional Housing "Entity"

Regional stakeholders should establish an "Entity" that would take the lead on implementation of the Regional Workforce Housing Action Plan. Preliminarily, BAE suggests that regional stakeholders consider formation of a Truckee North Tahoe Regional Housing Council, which would be governed by a volunteer Board that includes representation from the different regional stakeholders.

Supporting Actions

2.a) Obtain financial commitments to support Regional Housing Council – to provide stable, ongoing funding to support the Truckee North Tahoe Regional Housing Council's ongoing work

2.b) Obtain commitments for in-kind support – to leverage the resources of existing resources of agencies, organizations, and businesses that already serve the Truckee North Tahoe region

2.c) Identify entity to act as a fiscal agent – to ensure accountability for use of funds

2.d) Advocacy and education – to continue to build community support for housing solutions in general, and also to build support for specific RWHAP initiatives, such as establishing new funding mechanisms

Capital Funding Strategy Options

Cornerstone Action 3: Public Land Utilization

Land owned by public agencies within the region is a significant asset that could be leveraged to assist in workforce housing production. Further, utilization of public lands would not be subject to the uncertainty of other capital funding strategies that would require voter approvals, for example.

Supporting Actions

3.a) Pursue Regional Workforce Housing Funding Mechanisms – to augment the use of public land for workforce housing development and provide local funds that can be used to leverage other state and federal housing funds

INTRODUCTION

As a widely recognized domestic and international tourism destination, the Truckee North Tahoe region faces a broad spectrum of complex issues. As in many resort and visitor-oriented communities, large seasonal fluctuations in retail and service oriented employment, as well as a visitor oriented real estate market, create a disconnect between the needs of the regional labor force and the housing resources that are made available by the market. Recognizing these issues, the Community Collaborative of Tahoe Truckee (CCTT), a program of the Tahoe-Truckee Community Foundation (TTCF), hosted a housing conversation, moving local leaders to fund and plan a regional housing needs study. By Fall 2015, funding coalesced under the guidance of the TTCF. The TTCF acted as a neutral convener, assembling a diverse assortment of regional partners and stakeholders to assess regional workforce housing needs and to evaluate a range of potential local and regional solutions. TTCF worked through the CCTT, to facilitate meetings, engage partners and advise on outreach, contracting with CCTT's Coordinator, Sara Schrichte, to act as Project Manager. Key funding partners for this study include Placer County, Nevada County, the Town of Truckee, and the Workforce Housing Association of Truckee-Tahoe. Other key partners include the Family Resource Center of Truckee (FRCoT), the North Tahoe Family Resource Center (NTFRC), the Contractors Association of Truckee Tahoe, Truckee Tahoe Community Television, and Elevate Tahoe, among others. BAE Urban Economics (BAE), a private consulting firm, was retained to conduct the assessment of regional workforce housing needs, document existing conditions in the regional housing market, review solutions being pursued in other peer communities, and to work with community members to develop a menu of possible program and policy options.

Report Organization

The following report is organized into 10 sections. In addition to providing a brief contextual statement, this introduction also discusses the geographic definitions used for the purposes of this study. The second section summarizes existing demographic and economic trends within the Truckee North Tahoe region, including population and household characteristics, economic and workforce trends, and the available regional growth projections. The third and fourth sections review information regarding existing conditions in the regional housing market, including housing stock characteristics and pricing trends in both the rental and for-sale markets, as well as the existing pipeline of planned and proposed residential projects. The fifth section reviews the existing housing programs and policies that are in place within the Town of Truckee, Placer County, and Nevada County, as well as those put in place by the Tahoe Regional Planning Agency (TRPA) within the Lake Tahoe Basin. The sixth section summarizes the results of the local employee and employer surveys, while the seventh section provides an overview of the outreach and public participation process undertaken by BAE, the CCTT, and the TTCF, in coordination with key partners. The eight section reviews the methodology used to derive estimates of workforce housing demand within the Truckee North Tahoe region, as well as the estimates and their implications. The ninth section reviews the results of case study research regarding workforce housing programs and funding mechanisms being implemented in other peer communities. The report concludes with a discussion of potential program and policy options.

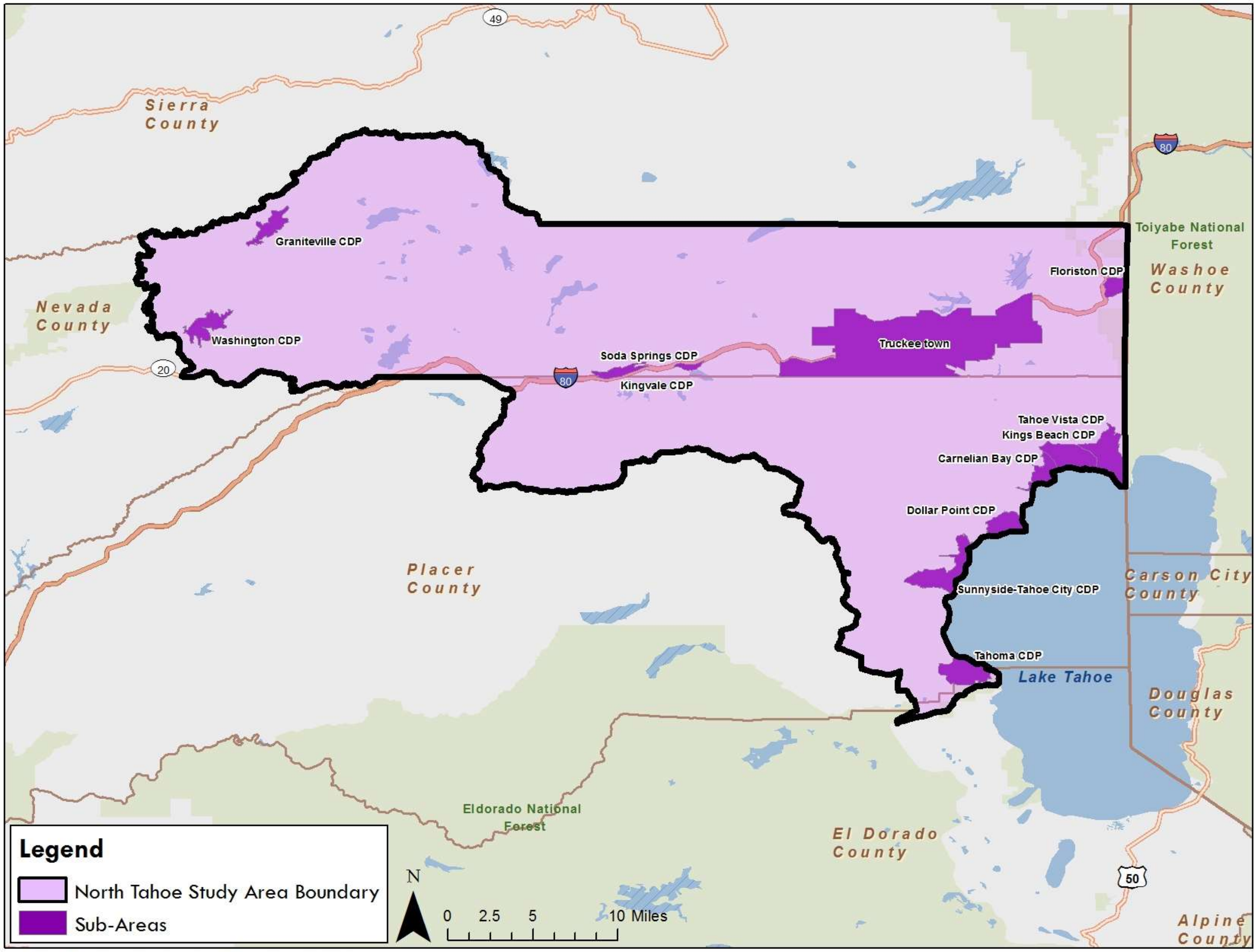
Study Area Definition

For the purposes of this research, the Truckee North Tahoe region is defined to include the Town of Truckee, and surrounding areas. The region includes much of eastern Placer County, from the Town boundary to North Lake Tahoe. This includes the communities of Kings Beach, Tahoe City, and Tahoma, as well as areas along Highways 267 and 89 South. It also extends westward to include Donner Summit and Serene Lakes, including Sugar Bowl, Boreal, Soda Springs, and Royal Gorge. To the east of the Town of Truckee, the region extends to the California-Nevada State line, including the communities of Hinton, Hirschdale, and Floriston.

For the purposes of collecting pertinent demographic and economic data, BAE utilized Geographic Information Systems (GIS) to identify the pre-defined Census-based geographic units that correspond as closely as possible to the Truckee North Tahoe Region, as described above. The Truckee North Tahoe Study Area (Study Area) is subsequently defined using both 2000 and 2010 Census Block Group definitions. Using 2000 definitions, the Study Area is composed of 44 separate Block Groups covering a total land area of 844 square miles. Using 2010 definitions, the Study Area is composed of 37 separate Block Groups covering 686 square miles. While these two definitions do not represent an exact match, they are sufficiently similar to warrant comparison. While much of this analysis excludes the portion of Nevada County located to the north and west of the Town of Truckee and Donner Summit, the availability of Census-based demographic statistics (using both 2000 and 2010 Census Block Group definitions) necessitated that the Study Area also include a large portion of eastern Nevada County, extending from the California-Nevada state line to the communities of Washington and Graniteville. While the inclusion of this area results in a slight overestimation of the resident population within the region, it likely does not overly skew the demographic statistics.

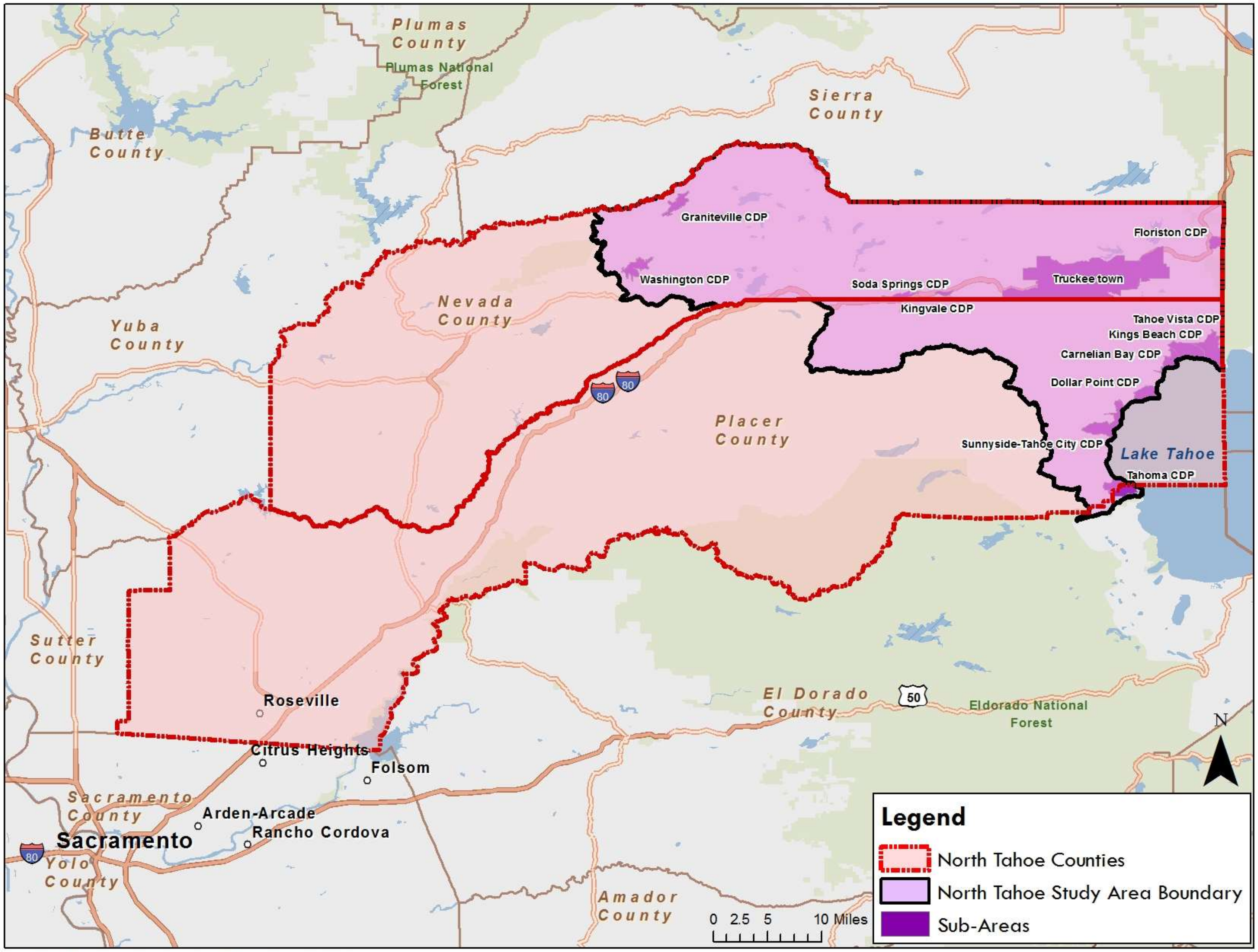
In addition to collecting data for the Study Area, as described above and illustrated in Figure 1 and Figure 2 below, BAE also collected data for the Town of Truckee and for 10 Census Designated Places (CDPs) located within the Study Area. Note that the Census Bureau added new CDPs between the 2000 and 2010 Decennial Censuses, and changed the geographic definitions of others. Therefore, the place-level data provided in this report should be interpreted with caution. BAE also collected data for a secondary comparison geography that includes all of Placer and Nevada Counties, combined. This aggregate comparison geography is referred to in this study as the Comparison Counties. For additional detail regarding the study areas used for this research, please refer to Appendix A.

Figure 1: Truckee North Tahoe Study Area Definition Detail



Sources: U.S. Census Bureau, Tiger Files, 2016; BAE, 2016.

Figure 2: Truckee North Tahoe Study Area and Comparison Counties Definition



Sources: U.S. Census Bureau, Tiger Files, 2016; BAE, 2016.

DEMOGRAPHIC AND ECONOMIC TRENDS

The following section discusses the recent and reasonably foreseeable future demographic and economic trends within the greater Truckee North Tahoe region. The primary data sources used for this analysis include Census 2000 and the 2010-2014 American Community Survey (ACS) 5-Year Estimates. Additional data sources include the U.S. Department of Housing and Urban Development (HUD), the California Department of Housing and Community Development (HCD), the California Employment Development Department (EDD), the U.S. Bureau of Labor Statistics (BLS), and the Center for Economic Studies (a division of the U.S. Census Bureau), among others. The intent of this analysis is to document the unique characteristics associated with residents, households, and workers within the region, including household composition, type and size; income distribution; resident industry and occupational profile; unemployment trends; and commute patterns; among other pertinent statistics.

Population and Household Characteristics

Population Trends

According to the data presented in Table 1, the population residing within the Truckee North Tahoe Study Area declined steadily since the year 2000. According to the Census Bureau, the Study Area contained 32,450 permanent residents as of the year 2000.[1] The most recent ACS estimates show that the Study Area averaged 30,251 residents between the 2010 and 2014. This indicates a decrease of approximately 2,200 residents, or roughly -0.6 percent per year. Conversely, the Comparison Counties experienced comparatively robust population growth during the same time period. The data indicate that the resident population expanded by nearly 120,000, or roughly 2.5 percent per year, reaching an average resident population of around 460,125 between 2010 and 2014. Additional data for the individual CDPs within the Study Area indicate that only the Town of Truckee and the Sunnyside-Tahoe City CDP experienced measurable population growth between 2000 and 2010-2014. Data for the Carnelian Bay, Dollar Point, Kings Beach, Tahoe Vista, and Tahoma CDPs indicate population losses equal to between -1.5 and -3.5 percent per year. However, the Floriston, Kingvale, and Soda Springs CDPs were not identified in the 2000 Census, therefore no long-term trends can be identified for those communities.

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[1] To determine place of residence, the Census Bureau applies the concept of "usual residence" which is defined as the place where a person lives and sleeps most of the time. This may differ from a person's legal residence or voting residence. Therefore, persons living in the region seasonally, who do not have another permanent place of residence, are typically counted as part of the resident population. However, those who possess an alternative place of "usual residence" are counted as residents of that place. For example, a household with a "usual residence" in the San Francisco Bay Area that owns a second home in the Truckee-North Tahoe region, would not typically be counted as Tahoe residents, while a seasonal employee with no other permanent address would be.

Table 1: Population and Household Trends, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2010-2014

	Truckee North Tahoe Study Area (a)			Comparison Counties (b)		
	2000	2010-2014	Average Annual Change	2000	2010-2014	Average Annual Change
Total Population	32,450	30,251	-0.6%	340,432	460,124	2.5%
Households	12,624	11,802	-0.6%	130,276	174,949	2.5%
Average Household Size	2.55	2.55		2.58	2.60	
Household Type						
Families	61.9%	61.8%		71.9%	68.9%	
Non-Families	38.1%	38.2%		28.1%	31.1%	
Household Tenure						
Owner	67.5%	64.0%		73.9%	71.0%	
Renter	32.5%	36.0%		26.1%	29.0%	

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.

Sources: U.S. Census Bureau, Census 2000, Summary File 1, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Seasonal Fluctuations in the Resident Population

In order to better understand the impact of seasonal fluctuations in the resident population within the Truckee North Tahoe region, BAE collected sewer flow data for the eight Public Utility Districts (PUDs), plus the Tahoe Truckee Sanitary Agency (TTSA), located within the Study Area. While the original intent of this analysis was to update estimates of Study Area population and households using utility user account information available from local utility districts, PUD staff consistently indicated that most property owners maintain full utility service (i.e., active accounts) regardless of occupancy status. As a result, this analysis focuses on sewer flow data, which PUD staff indicated is the best dataset for evaluating residential occupancy status. However, due to technical complications associated with calculating residential flow rates and the rate of water inflow and infiltration (I&I),[2] the sewer flow data cannot always be used to estimate resident population and households. The data may, however, be used as a relative indicator of occupancy, reflecting seasonal fluctuations in resident population. Note that the data should be interpreted with caution, understanding that there may be a delay between rainfall and snowfall events and the timing and extent of I&I.

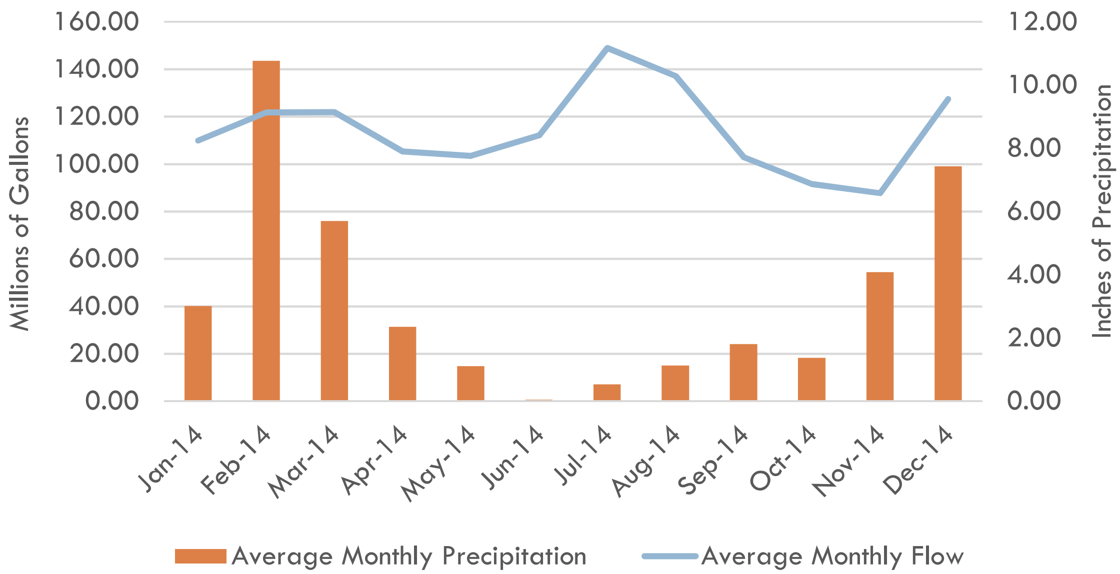
[2] Residential flow rates are traditionally based on a "gallons per person per day" rate, which can vary based on family size, socio-economic status, water supply, unit type, location, and the method of wastewater disposal.

Figure 3 illustrates the average monthly sewer flow for all eight PUDs located in the Study Area,[3] as well as precipitation data published by the National Centers for Environmental Information (NCEI) for climate monitoring stations located within each PUD.[4] The figure reports data for 2014, which is the most recent year for which BAE was able to obtain a complete set of sewer flow data for all eight PUDs. The data show the lowest monthly average sewer flows in October and November, at 91.6 million gallons and 87.7 million gallons, respectively. Flows then increased to around 127.4 million gallons in December, remaining relatively stable through the end of March. In April and May, sewer flows decreased to just over 100.0 million gallons per month. Flows then peaked in July and August at around 149.0 million gallons and 137.0 million gallons per month, respectively. This represents an increase of approximately 70 percent over the seasonal low of 87.7 million gallons in November. Precipitation data for the same period indicate that the region received an average of around three inches per month in 2014, with a peak of 10.76 inches in February and a low of 0.04 inches in June. Interestingly, peak sewer flows tend to occur during the months of July and August, when precipitation is at its lowest. This runs counter to the seasonal fluctuations in employment discussed later on in this report, which indicate peak employment between December and March and July and August, with the summer peak achieving a lower employment total compared to the winter peak. While sewer flows are influenced by I&I, some of this variation may be attributable to an influx of summertime visitors, recognizing that summertime visitor serving industries may require less labor than winter oriented industries.

[3] Including the Alpine Springs County Water District, North Tahoe Public Utility District, Northstar Community Service District, Squaw Valley Public Service District, Tahoe City Public Utility District, and the Truckee Sanitary District, all of which flow into the Tahoe Truckee Sanitation Agency treatment plant in Truckee, as well as the Donner Summit Public Utility District and the Sierra Lakes County Water District. Due to the way that data were reported by the Tahoe Truckee Sanitation Agency, data for the Northstar Community Service District and the Truckee Sanitary District are grouped together.

[4] The NCEI, a subsidiary of National Oceanic and Atmospheric Administration (NOAA), provides monthly precipitation totals. BAE identified unique climate monitoring stations located within the boundaries of each PUD. When a service area contained multiple stations, BAE selected the one with the most complete data.

Figure 3: Average Monthly Sewer Flow and Precipitation, 2014



Notes:

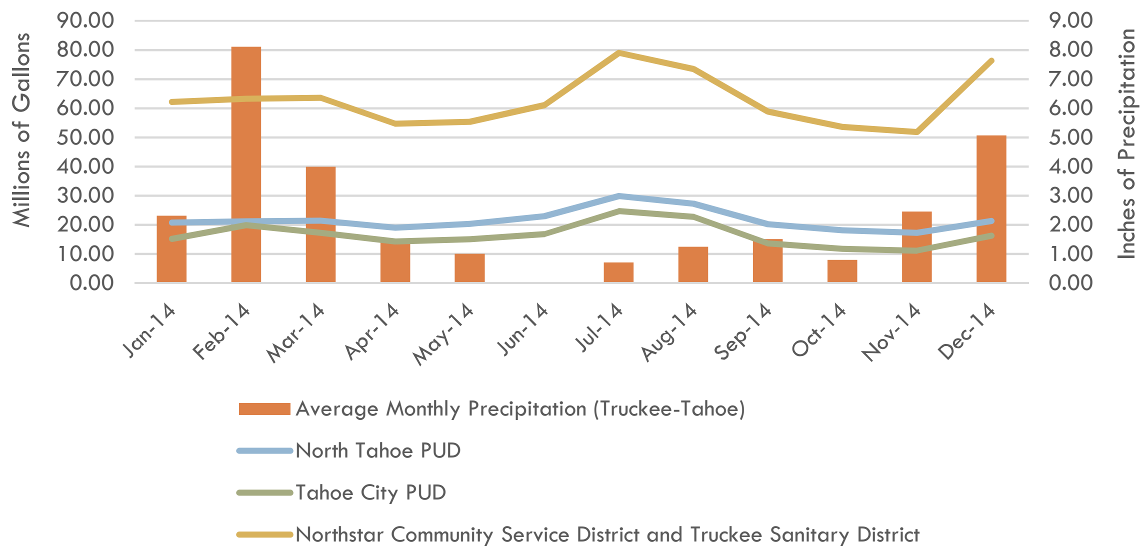
(a) Includes sewer flow data for the Alpine Springs County Water District, Donner Summit Public Utility District, North Tahoe Public Utility District, Northstar Community Service District, Sierra Lakes County Water District, Squaw Valley Public Utility District, Tahoe City Public Utility District, and the Truckee Sanitary District.

(b) Includes average monthly precipitation for climate monitoring stations located within each PUD service area.

Sources: Public Utility Districts, 2016; NOAA, National Centers for Environmental Information, Climate Data Online, Global Historical Climatology Network-Monthly Summaries, 2016; BAE; 2016.

The figures on the following pages illustrate the monthly average sewer flow and relative precipitation for each of the eight PUDs located in the Study Area. Figure 4 illustrates sewer flows for the North Tahoe Public Utility District, the Tahoe City Public Utility District, and the combined Northstar Community Service District and Truckee Sanitary District. These areas show similar flow patterns, with moderate winter flows, notable shoulder season declines in flow volume, and significant peak season increases. Figure 5 illustrates sewer flows for Alpine Springs County Water District, Donner Summit Public Utility District, Squaw Valley Public Services District, and the Sierra Lakes County Water District. Located on, or adjacent to, the Sierra Crest, these PUDs experienced much higher winter season sewer flows, likely corresponding to significant wintertime visitation associated with operation of the ski resorts, as well as an unknown amount of I&I. The Donner Summit Public Utility District and Squaw Valley Public Service District experienced the highest summertime flows of the four PUDs located on, or adjacent to, the Sierra Crest, while Alpine Springs County Water District and Sierra Lakes County Water District experienced summertime peaks that were lower than the wintertime peak flows. Recognizing that these figures are not adjusted for I&I, they suggest that communities located along the Sierra Crest are more heavily impacted by increases in resident population during the winter months, with some significant summertime visitation. Communities located elsewhere in the Study Area, like the Town of Truckee and communities located along the lakeshore, are more deeply impacted by summertime visitation.

Figure 4: Average Monthly Sewer Flow and Precipitation, Truckee and North Tahoe Communities, 2014



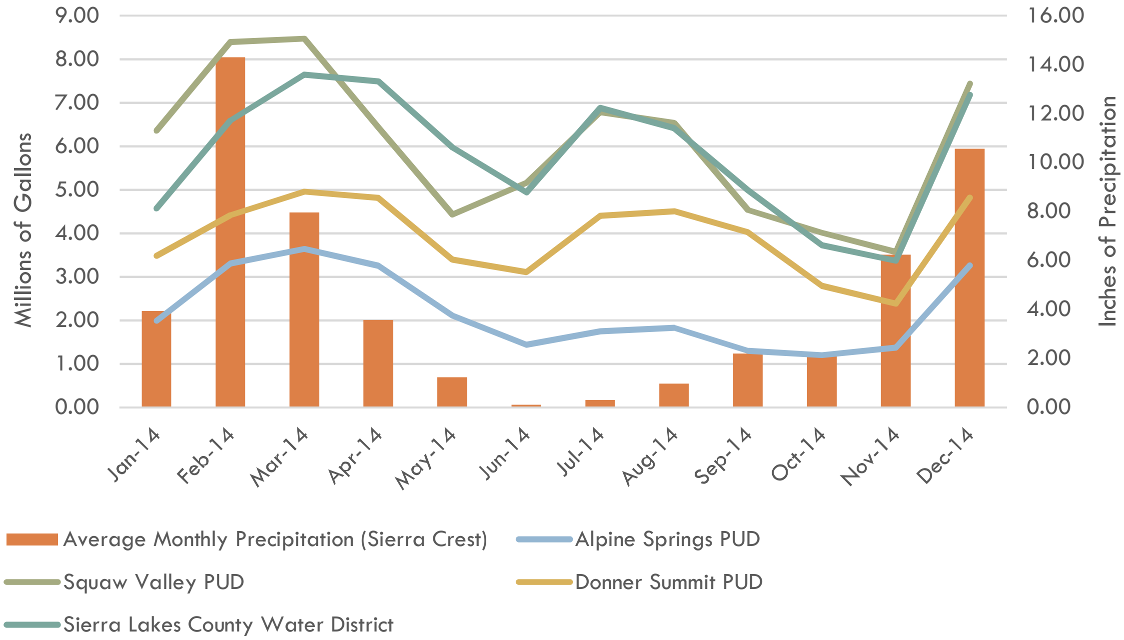
Notes:

(a) Includes sewer flow data for the North Tahoe PUD, the Tahoe City PUD, and the combined Northstar Community Service District and Truckee Sanitary District.

(b) Includes average monthly precipitation for climate monitoring stations located within each PUD service area.

Sources: Public Utility Districts, 2016; NOAA, National Centers for Environmental Information, Climate Data Online, Global Historical Climatology Network-Monthly Summaries, 2016; BAE; 2016.

Figure 5: Average Monthly Sewer Flow and Precipitation, Sierra Crest Communities, 2014



Notes:

(a) Includes sewer flow data for the Alpine Springs County Water District, the Donner Summit Public Utility District, Squaw Valley Public Service District, and the Sierra Lakes County Water District.

(b) Includes average monthly precipitation for climate monitoring stations located within each PUD service area.

Sources: Public Utility Districts, 2016; NOAA, National Centers for Environmental Information, Climate Data Online, Global Historical Climatology Network-Monthly Summaries, 2016; BAE; 2016.

Household Trends

Similar to the overall population trends experienced within the Study Area, the total number of households also steadily declined since 2000. According to the Census Bureau, the Study Area contained 12,624 households in 2000, which decreased to an average of around 11,802 between 2010 and 2014. This represents a decrease of roughly 820 households, which equals an average annual change of -0.6 percent. The Comparison Counties, by comparison, grew from 130,276 households in 2000 to an average of 174,949 between 2010 and 2014, representing an estimated increase of 44,673, which equals an average annual household growth rate of 2.5 percent per year. The household growth trends among the region's CDPs generally reflected the overall population growth trends discussed above, with only Truckee and the Sunnyside-Tahoe City CDP experiencing measurable household growth.

Average Household Size

Average household size is based on the number of people living in households, divided by the number of occupied housing units. The calculation excludes those individuals living in group quarters and other institutional settings. As identified in Table 1, the average household size in the Truckee North Tahoe Study Area remained unchanged between 2000 and 2010-2014, at roughly 2.5 persons per household. By comparison, the average household size in the Comparison Counties increased slightly from 2000 to 2010-2014, from 2.58 to 2.60 persons per household. The average size of resident households in the region's CDPs ranges from 1.23 persons in Soda Springs to 2.91 in Kings Beach, with an average of 2.26. The household sizes in the communities of Kings Beach, Sunnyside-Tahoe City, and Tahoe Vista increased since the year 2000. Conversely, the average household size in Cornelian Bay, Tahoma, and Truckee decreased during this period. While trend data are not available for Floriston, Kingvale, and Soda Springs, the 2010-2014 ACS indicates that Floriston and Soda Springs have some of the smallest average household sizes in the region.

Households by Type

As reported in Table 1, families represent the predominant household type in both the Truckee North Tahoe Study Area and the Comparison Counties. Within the study area, these households account for approximately 61.8 percent of all households, a rate that has remained relatively constant over the past decade. Within the Comparison Counties, the rate is considerably higher at 68.9 percent, which represents a decrease in the prevalence of family households compared to the year 2000, when approximately 71.9 percent of area households were families. Within the CDPs, the proportion of family households varies considerably, with most either equal to or less than the rate shown for the region as a whole. The only communities where the proportion of family households exceeds the region wide average are the Town of Truckee and Kingvale. The proportion of family households in Truckee averaged around 66 percent between 2010 and 2014, while the Census Bureau reports that all households in Kingvale were families. The smallest proportion of family households was reported in Soda Springs, where only 23 percent of all households were families between 2010 and 2014.

Household Tenure

Data demonstrating the trend in household tenure indicate that Study Area households are notably less likely to be owner households relative to the Comparison Counties. Based on the data shown in Table 1, an average of 64.0 percent of Study Area households owned their homes between 2010 and 2014, down from 67.5 percent in 2000. In the Comparison Counties, approximately 71.0 percent of households owned their homes between 2010 and 2014, a decrease from 73.9 percent recorded in 2000. While both regions experienced decreasing home ownership trends, the Study Area experienced a more significant decrease relative to the Comparison Counties, placing the Study Area notably below the Comparison Counties in terms of home ownership rates.

Homeownership rates among the region's CDPs vary significantly from place to place. For example, according to the available Census data, all of the year-round residents in the Floriston CDP reportedly owned their own homes (i.e., 100 percent owner households, while none of the year-round residents of the Soda Springs CDP own their homes (i.e., 100 percent renter households).[5] Other than Soda Springs, the community with the lowest home ownership rate between 2010 and 2014 was Kings Beach, where an average of 36 percent of households owned their own homes. The homeownership rates among other Truckee North Tahoe Study Area communities, including Carnelian Bay, Dollar Point, Sunnyside-Tahoe City, Tahoe Vista, and Tahoma, ranged from a low of 59 percent (Sunnyside-Tahoe City) to a high of 73 percent (Carnelian Bay). Homeownership rates declined in all identified CDPs, with the exception of Sunnyside-Tahoe City (+7 percentage points), Carnelian bay (+6 percentage points), and Dollar Point (+2 percentage points).

Age Distribution

The median age in the Truckee North Tahoe Study Area was somewhat lower than in the Comparison Counties. For example, the median age in the Study Area between 2010 and 2014 was 38.8 years, compared to 41.5 years in the Comparison Counties as a whole. While the Study Area seems to feature a markedly younger population, it is worth noting that the median age in both study areas was higher than the California median of 35.6, and that the median age increased more rapidly in the Study Area than in the comparison geography (i.e., the Study Area median age increased by 3.1 years since 2000, compared to 2.9 years in the Comparison Counties).

As reported in Table 2, the two study areas show similar resident age distributions, with upwards of 20 percent of the population being under the age of 18. Both areas also show significant concentrations of residents between the ages of 25 and 64, which represent the prime working years. Interestingly, the proportion of working age adults was higher in the Study Area, at 62.2 percent than in the Comparison Counties, at 52.2 percent. The Study Area also had a lower proportion of retirement age residents, at 8.8 percent, compared to 17.6 percent in the Comparison Counties. While this generally contradicts the perception of North Tahoe as a destination for retirement age households, the Census figures largely exclude second home owners and other seasonal residents. Therefore, these figures primarily reflect the characteristics of permanent year-round residents, as well as some quasi-seasonal residents who report their homes within the region as their primary place of residence.[6]

Comparatively, the age profiles within each of the region's CDPs are quite varied. Based on the median age figures reported in the 2010-2014 ACS, the youngest community in the region

[5] Anecdotal evidence indicates that some permanent resident households in Soda Springs do, in fact, own their own homes. This highlights the limitations of the available Census data. Such data should, therefore, be interpreted with caution, understanding that while the data may not be 100 percent accurate, it represents the most recent and comprehensive publicly available information.

[6] See footnote 1.

is Tahoe Vista, with a median age of 32.2 years. Only two other communities had median age estimates that were lower than the regionwide figure, which included Kings Beach and the Town of Truckee. The remaining seven communities had median age estimates that were higher than the regionwide figure, with Floriston being the highest, at 60.7 years.

Table 2: Age Distribution, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2010-2014

	Truckee North Tahoe Study Area (a)				**Comparison Counties** (b)			
	2000		2010-2014		2000		2010-2014	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	7,640	23.5%	6,556	21.7%	87,035	25.6%	103,517	22.5%
18-24	2,663	8.2%	2,095	6.9%	22,814	6.7%	35,197	7.6%
25-34	5,458	16.8%	4,517	14.9%	37,282	11.0%	49,743	10.8%
35-44	6,231	19.2%	4,668	15.4%	57,002	16.7%	57,409	12.5%
45-54	5,707	17.6%	5,430	17.9%	54,172	15.9%	67,904	14.8%
55-64	2,626	8.1%	4,312	14.3%	33,518	9.8%	65,248	14.2%
65-74	1,365	4.2%	1,778	5.9%	25,667	7.5%	45,511	9.9%
75-84	603	1.9%	657	2.2%	17,496	5.1%	24,878	5.4%
85 years & over	157	0.5%	238	0.8%	5,446	1.6%	10,717	2.3%
Total, All Ages	**32,450**	**100%**	**30,251**	**100%**	**340,432**	**100%**	**460,124**	**100%**
Median Age (c)	**35.7**		**38.8**		**38.6**		**41.5**	

Notes:

(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed w ithin the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.

(b) The Comparison Counties include both Placer County and Nevada County in California.

(c) Median age figures w ere extrapolated based on detailed age distribution data.

Sources: U.S. Census Bureau, Census 2000, Summary File 1, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Household Income Distribution

The distribution of households by income is similar in both the Truckee North Tahoe Study Area and the Comparison Counties. In both areas, roughly 25.0 percent of all households had incomes of less than $35,000 per year between 2010 and 2014. This represents a decrease since 1999, when the proportion of households with incomes less than $35,000 per year was roughly 30.0 percent of all households. The declines in the proportion of lower income households subsequently corresponded with increases in the proportion of higher income households. For example, the proportion of households in the Study Area earning $100,000 or more increased from 16.3 percent in 1999 to 31.1 percent between 2010 and 2014. The Comparison Counties saw a similar increase, from 18.5 percent in 1999 to 33.0 percent between 2010 and 2014.

As reported in Table 3, the median Study Area household income was notably lower than in the Comparison Counties in both 1999 and between 2010 and 2014. The median income in the Study Area also grew more slowly in nominal terms, indicating that the income gap is widening between residents of the Truckee North Tahoe Study Area and residents of Placer and Nevada Counties more broadly. Furthermore, while the inflation-adjusted median income figures indicate that both areas experienced a real decline in household purchasing power since 1999, the effect of this trend was somewhat greater in the Study Area. For example, after adjusting for inflation using the Consumer Price Index (CPI) for the Western Region, published by the BLS, the real purchasing power of the median income in the Study Area decreased by approximately $8,988, or 11.8 percent, between 1999 and 2010-2014. The data indicate that the purchasing power of the median income in the Comparison Counties decreased by around $7,934, or 10.2 percent, over the same period. Note that additional differences in cost of living between the Study Area and the Comparison Counties that are not reflected in the CPI adjustment, such as the higher cost of housing in the Truckee North Tahoe region, likely further reduce the real purchasing power of households residing in the Study Area.

Although trend data are not available for all CDPs, the available information indicates that incomes vary considerably across the region. As of the 2010-2014 ACS, the two CDPs with the highest median income estimates include the Town of Truckee and Carnelian Bay, with median income values of $72,156 and $72,083, respectively. The two communities with the lowest median income estimates include Soda Springs and Kings Beach, with median income values of $28,917 and $39,639, respectively. The data indicate that communities within the region have experienced differing degrees of income stagnation. For example, between 1999 and 2010-2014, the median income values in Carnelian Bay and Dollar Point increased by 44.6 percent and 45.0 percent in nominal terms, or 1.7 percent and 2.0 percent in real inflation adjusted terms. By comparison, the median income in Tahoma decreased by 14.4 percent in nominal dollars and 39.8 percent in real dollars. Other communities that experienced significant declines in real household purchasing power include Kings Beach (-21.5 percent), Tahoe Vista (-28.2 percent), Sunnyside-Tahoe City (-14.3 percent), and the Town of Truckee (-13.8 percent).

Table 3: Household Income Distribution, Truckee North Tahoe Study Area and Comparison Counties, 1999 and 2010-2014

	Truckee North Tahoe Study Area (a)				Comparison Counties (b)			
	1999 (c)		2010-2014		1999 (c)		2010-2014	
Household Income	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	1,066	8.4%	938	7.9%	12,808	9.8%	14,084	8.1%
$15,000 to $24,999	1,193	9.5%	962	8.2%	12,423	9.5%	14,475	8.3%
$25,000 to $34,999	1,517	12.0%	1,030	8.7%	14,171	10.9%	15,109	8.6%
$35,000 to $49,999	2,125	16.8%	1,550	13.1%	20,407	15.7%	20,305	11.6%
$50,000 to $74,999	2,947	23.3%	2,080	17.6%	28,443	21.8%	29,615	16.9%
$75,000 to $99,999	1,716	13.6%	1,570	13.3%	17,880	13.7%	23,592	13.5%
$100,000 to $149,999	1,192	9.4%	2,027	17.2%	15,069	11.6%	31,315	17.9%
$150,000 or more	867	6.9%	1,645	13.9%	9,075	7.0%	26,454	15.1%
Total, All Households	**12,624**	**100%**	**11,802**	**100%**	**130,276**	**100%**	**174,949**	**100%**
Median Income (d)	**$53,484**		**$67,079**		**$54,683**		**$69,838**	
Adjusted Median Income (e)	**$76,067**		**$67,079**		**$77,772**		**$69,838**	

Notes:

(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.

(b) The Comparison Counties include both Placer County and Nevada County in California.

(c) The percent distribution of household income is from Census 2000 Summary File 3, while the total household estimate is from Census 2000, Summary File 1.

(d) Median household income figures were extrapolated based on detailed household income distribution data.

(e) Census 2000 median household income estimates are adjusted to 2014 dollars based on the Consumer Price Index (CPI) for All Urban Consumers in the Western Region of 1.42.

Sources: U.S. Census Bureau, Census 2000, Summary File 1 and Summary File 3, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Households by Income Category

Table 4 reports data collected from the 2008-2012 Comprehensive Affordability Strategy (CHAS) dataset, which is a special tabulation of the 2008-2012 ACS 5-Year Estimates. The purpose of the CHAS dataset is to demonstrate the need for various types of housing assistance. This is done by estimating the number of households that experience certain types of housing problems,[7] by income category and household type. Note that the CHAS data should be interpreted with caution. First, the CHAS data for the Truckee North Tahoe Study Area were compiled based on a Census Tract-based study area that approximates the Census Block Group based definitions described in the introduction. Second, the data are based on 5-Year ACS estimates covering the 2008 to 2012 time period, while other demographic data provided in this report are based on 2010-2014 5-Year ACS estimates. Also, because the data

[7] There are four housing problems reported in the CHAS data, including: 1) lack of complete kitchen facilities; 2) lack of complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. A household is said to have a housing problem if they have any 1 or more of these 4 problems. Overcrowding is defined as more than one person per room, while a household is considered cost burdened if they pay greater than 30 percent of income on housing and related costs.

are based on multi-year survey data, individual estimates may not sum to totals shown in the table, due to rounding.

The CHAS dataset uses HUD-defined income categories to classify the distribution of households by income. Note that these income categories also form the basis for the income limits published annually by HCD. The categories are based on the HUD Adjusted Median Family Income (HAMFI), which is calculated using 2008-2012 5-year median family income estimates,[8] supplemented with 2012 1-year estimates. The HUD income categories are calculated as a percentage of the HAMFI. The extremely low-income category includes households with incomes less than, or equal to, 30 percent of the HAMFI, while the very low-income category includes households with incomes greater than 30 percent, and up to 50 percent, of the HAMFI. The low-income category includes households with incomes greater than 50 percent, and up to 80 percent, of the HAMFI, while the moderate-income category includes households with incomes greater than 80 percent, and up to 120 percent, of the HAMFI. The above moderate-income subsequently includes the remaining households with incomes that are greater than 120 percent of the HAMFI. Note that both the HAMFI and the subsequent income limits are adjusted for household size, so that a larger household with a given income could be placed within a lower income category than a smaller household with the same dollar income.

According to the CHAS data reported in Table 4, approximately 4,899 Study Area households, around 36.6 percent, were categorized as Lower-Income between 2008 and 2012, with incomes that were equal to 80 percent or less of the HAMFI, after adjusting for household size. Another 2,457, around 18.3 percent, were categorized as Moderate-Income, with the remaining 6,023 households, roughly 45.0 percent, categorized as Above Moderate-Income. The data indicate that of the 4,415 renter households in the Study Area, around 54.9 percent were categorized in the three lowest income categories. Meanwhile, of the 8,975 owner households in the region, 27.8 percent were categorized in the three lowest income categories. As noted above, the household totals reported Table 4 differ from those reported elsewhere in this report due to the use of different datasets, from different sources, that correspond with different years.

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[8] Excludes one-person households and multi-person households comprised of unrelated individuals, based on the Census definition of a family, which includes a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption.

Table 4: Distribution of Households by Income Category, Truckee North Tahoe Study Area, 2008-2012 (a)

	Owner Households		Renter Households		All Households	
Income Category (b)	Number	Percent	Number	Percent	Number	Percent
Extremely Low-Income *(≤ 30% of HAMFI)*	558	6.2%	809	18.3%	1,367	10.2%
Very Low-Income *(> 30% ≤ 50% of HAMFI)*	640	7.1%	730	16.5%	1,370	10.2%
Low-Income *(> 50% ≤ 80% of HAMFI)*	1,278	14.2%	884	20.0%	2,162	16.1%
Moderate-Income *(> 80% ≤ 120% of HAMFI)*	1,349	15.0%	1,108	25.1%	2,457	18.3%
Above Moderate-Income *(> 120% of HAMFI)*	5,135	57.2%	888	20.1%	6,023	45.0%
All Income Levels (c)	**8,975**	**100%**	**4,415**	**100%**	**13,390**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2010 Census Tracts, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Tracts, please refer to Appendix A.
(b) CHAS data reflect HUD-defined household income limits.
(c) Figures may not sum to totals due to rounding.

Sources: HUD, 2008-2012 CHAS, 2015; BAE, 2015.

Economic and Workforce Trends

Employment (Jobs) by Industry

Table 5 reports the total number of jobs, by industry, in the Truckee North Tahoe Study Area and the Comparison Counties in both 2000 and 2014.[9] The data for the Study Area represent estimates provided to BAE by the EDD, which approximate the Study Area geography using the available ZIP Code-level data.[10] Based on these data, the dominant employment sector within the Study Area, on an annual average basis, is the Accommodation and Food Service sector, which accounted for 4,248 jobs in 2014, or around 26.8 percent of all employment. The available data indicate that this sector grew by approximately 25.2 percent, or around 1.6 percent per year, since 2000, which was slightly slower than the all industries average of 27.8 percent, or 2.6 percent per year. Other important employment sectors include Arts, Entertainment, and Recreation, as well as the Construction sector. Arts, Entertainment, and Recreation accounted for an average of 2,244 jobs in 2014, which represented 14.2 percent of all employment. The sector expanded by 57.2 percent, or 3.3 percent per year, since 2000, making it both one of the largest and one of fastest growing employment sectors in the Study Area. The Construction Sector accounted for an average of 1,992 jobs in 2014, or around 12.6 percent of all employment. The industry grew by around 16.4 percent, or 1.1 percent per year, since 2000.

[9] Industry employment refers to the number of jobs in a given place. Occupational employment refers to the number of area residents who are employed, including those who are employed both inside and outside of the area.
[10] A complete list of ZIP Codes used for this analysis, please refer to Appendix A.

Table 5: Employment by Industry, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2014

	2000		2014		% Change
Truckee North Tahoe Study Area (a)	Number	Percent	Number	Percent	**2000-2014**
Natural Resources and Mining	(b)	n.a.	(b)	n.a.	n.a.
Utilities	327	2.6%	223	1.4%	-31.6%
Construction	1,711	13.8%	1,992	12.6%	16.4%
Manufacturing	145	1.2%	208	1.3%	43.2%
Wholesale Trade	98	0.8%	61	0.4%	-37.4%
Retail Trade	1,289	10.4%	1,380	8.7%	7.1%
Transportation and Warehousing	(b)	n.a.	150	0.9%	n.a.
Information	81	0.7%	120	0.8%	48.9%
Finance and Insurance	256	2.1%	168	1.1%	-34.4%
Real Estate and Rental and Leasing	380	3.1%	738	4.7%	94.1%
Professional, Scientific, and Technical Services	360	2.9%	536	3.4%	49.0%
Management of Companies and Enterprises	59	0.5%	(b)	n.a.	n.a.
Administrative, Support, and Waste Management	404	3.3%	740	4.7%	83.4%
Educational Services	704	5.7%	757	4.8%	7.6%
Health Care and Social Assistance	784	6.3%	976	6.2%	24.4%
Arts, Entertainment, and Recreation	1,427	11.5%	2,244	14.2%	57.2%
Accommodation and Food Services	3,394	27.4%	4,248	26.8%	25.2%
Other Services (except Public Administration)	329	2.7%	758	4.8%	130.7%
Public Administration	164	1.3%	446	2.8%	172.7%
Not Elsewhere Classified	43	0.3%	62	0.4%	43.3%
Total, All Industries (c)	**12,395**	**100%**	**15,841**	**100%**	**27.8%**

	2000		2014		% Change
Comparison Counties (b)	Number	Percent	Number	Percent	**2000-2014**
Natural Resources and Mining	491	0.4%	648	0.4%	32.0%
Utilities	484	0.4%	(b)	n.a.	n.a.
Construction	13,485	10.1%	13,028	7.6%	-3.4%
Manufacturing	13,682	10.2%	7,615	4.5%	-44.3%
Wholesale Trade	3,422	2.6%	3,961	2.3%	15.8%
Retail Trade	19,098	14.3%	26,178	15.3%	37.1%
Transportation and Warehousing	2,218	1.7%	(b)	n.a.	n.a.
Information	2,826	2.1%	2,503	1.5%	-11.4%
Finance and Insurance	4,849	3.6%	8,822	5.2%	81.9%
Real Estate and Rental and Leasing	2,974	2.2%	3,820	2.2%	28.4%
Professional, Scientific, and Technical Services	3,760	2.8%	8,862	5.2%	135.7%
Management of Companies and Enterprises	2,648	2.0%	1,604	0.9%	-39.4%
Administrative, Support, and Waste Management	7,401	5.5%	8,389	4.9%	13.3%
Educational Services	1,405	1.0%	2,408	1.4%	71.4%
Health Care and Social Assistance	11,111	8.3%	25,609	15.0%	130.5%
Arts, Entertainment, and Recreation	3,052	2.3%	5,188	3.0%	70.0%
Accommodation and Food Services	14,321	10.7%	19,781	11.6%	38.1%
Other Services (except Public Administration)	5,600	4.2%	6,446	3.8%	15.1%
Public Administration	19,239	14.4%	22,006	12.9%	14.4%
Not Elsewhere Classified	(b)	n.a.	569	0.3%	n.a.
Total, All Industries (c)	**133,966**	**100%**	**170,987**	**100%**	**27.6%**

Notes:

(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Zip Codes, please refer to Appendix A.

(b) Data is suppressed for confidentiality purposes.

(c) Figures may not sum to totals due to data suppression and rounding.

(d) The Comparison Counties include both Placer County and Nevada County in California.

Sources: California Employment Development Department, QCEW, 2015; Bureau of Labor Statistics, QCEW, 2015; BAE, 2015.

As a result of the significant concentration in visitor- serving sectors, employment within the Study Area is notably underrepresented in a number of other industries. Two of the most notable underrepresented sectors include the Health Care and Social Assistance sector and the Public Administration sector. For example, the Health Care and Social Assistance sector represented 6.2 percent of all employment in the Study Area in 2014, compared to 15.0 percent in the Comparison Counties. Similarly, Public Administration accounts for only 2.8 percent of all employment within the Study Area, whereas the sector represents 12.9 percent of the total employment in the Comparison Counties. This is likely due to the comparatively small year-round population that resides within the Study Area, such that the community lacks some of the economies of scale necessary to warrant a build-up of these sectors. Additionally, these industries are much better represented in areas within easy driving distance of the Truckee North Tahoe region, which also possess larger resident and business populations, such as Auburn, Roseville, Sacramento, and Reno, among others, which may encourage the industries to concentrate on these areas.

Seasonal Employment Trends

As illustrated in Figure 6, the Study Area experiences significant seasonal fluctuations in employment over the course of each year. The peak employment season appears to be during the winter months, from December through March, when the region’s nine major ski resorts are in full operation. Employment then contracts during the spring shoulder season, which extends through April and May. June represents the beginning of the summer tourist season, which corresponds with a notable increase in total employment, though summer-time peak employment levels are typically somewhat less than the winter-time peak. The summer season typically lasts through August, with the fall shoulder season extending through September and October. The winter season then picks up again toward the end of November, but can begin earlier or later, depending on the quality and quantity of the early season snowfall. By comparison, total employment levels in the Comparison Counties show far less seasonal fluctuation, remaining fairly consistent throughout the entire year.

Table 6: Monthly Employment by Industry, Truckee North Tahoe Study Area, January to December, 2014 (a)

	2014											
Industry	January	February	March	April	May	June	July	August	September	October	November	December
Natural Resources and Mining	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Utilities	219	224	216	230	233	234	223	225	218	220	220	216
Construction	1,721	1,730	1,695	1,787	2,013	2,066	2,184	2,200	2,186	2,224	2,126	1,972
Manufacturing	168	172	169	168	211	235	231	232	230	235	219	223
Wholesale Trade	69	65	64	59	65	69	73	73	65	56	38	39
Retail Trade	1,394	1,368	1,356	1,342	1,255	1,399	1,511	1,473	1,368	1,303	1,336	1,457
Transportation and Warehousing	170	170	163	154	132	148	147	145	141	125	142	161
Information	126	129	121	125	122	115	117	118	111	122	122	116
Finance and Insurance	178	182	173	164	166	163	161	155	155	170	172	173
Real Estate and Rental and Leasing	736	738	719	677	705	789	826	768	744	732	689	728
Professional, Scientific, and Technical	506	520	508	520	514	537	549	568	547	554	555	554
Mgmt. of Companies and Enterprises	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Administrative, Support, and Waste	605	597	574	691	830	887	883	875	837	818	674	613
Educational Services	840	843	891	839	852	815	485	678	703	768	794	577
Health Care and Social Assistance	975	951	977	1,000	985	965	961	971	950	991	990	995
Arts, Entertainment, and Recreation	3,182	3,158	3,078	2,588	1,334	1,771	1,914	1,886	1,634	1,512	1,657	3,211
Accommodation and Food Services	4,896	4,576	4,528	4,089	3,375	4,022	4,767	4,717	4,278	3,669	3,517	4,537
Other Services	747	690	629	629	683	827	997	974	811	717	662	731
Public Administration	419	398	410	407	449	492	504	504	471	437	422	442
Not Elsewhere Classified	37	50	51	44	52	50	29	29	38	98	114	146
Total, All Industries (c)	**17,018**	**16,591**	**16,353**	**15,550**	**14,013**	**15,622**	**16,600**	**16,627**	**15,523**	**14,787**	**14,483**	**16,930**

Notes:

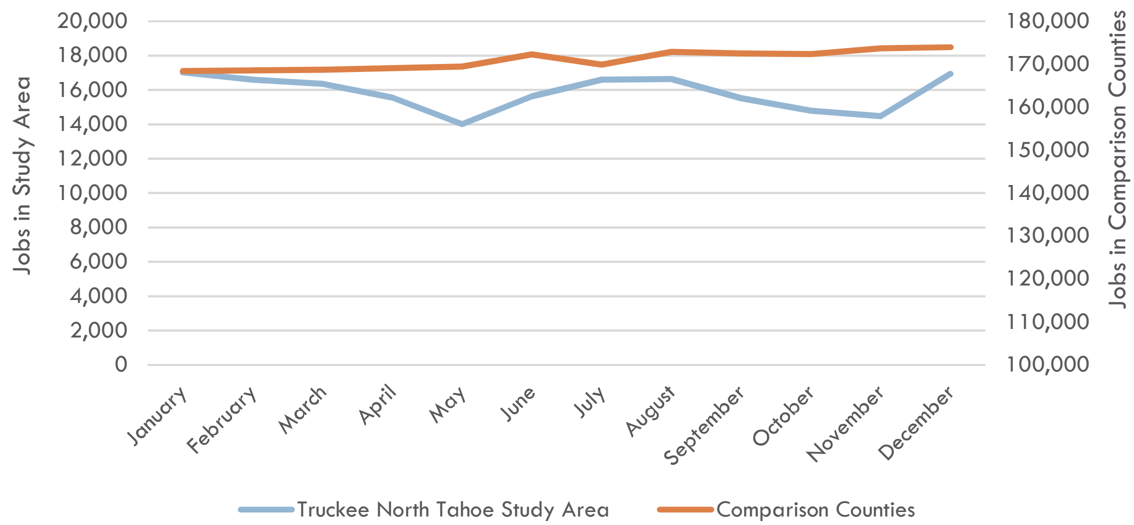
(a) The Truckee North Tahoe Study Area is defined based on United States Postal Service Zip Codes, to approximate the area encompassed within the desired study area. For a complete listing of the included Zip Codes, please refer to Appendix A.

(b) Data is suppressed for confidentiality purposes.

(c) Figures may not sum to totals due to data suppression and rounding.

Sources: California Employment Development Department, QCEW, 2015; BAE, 2015.

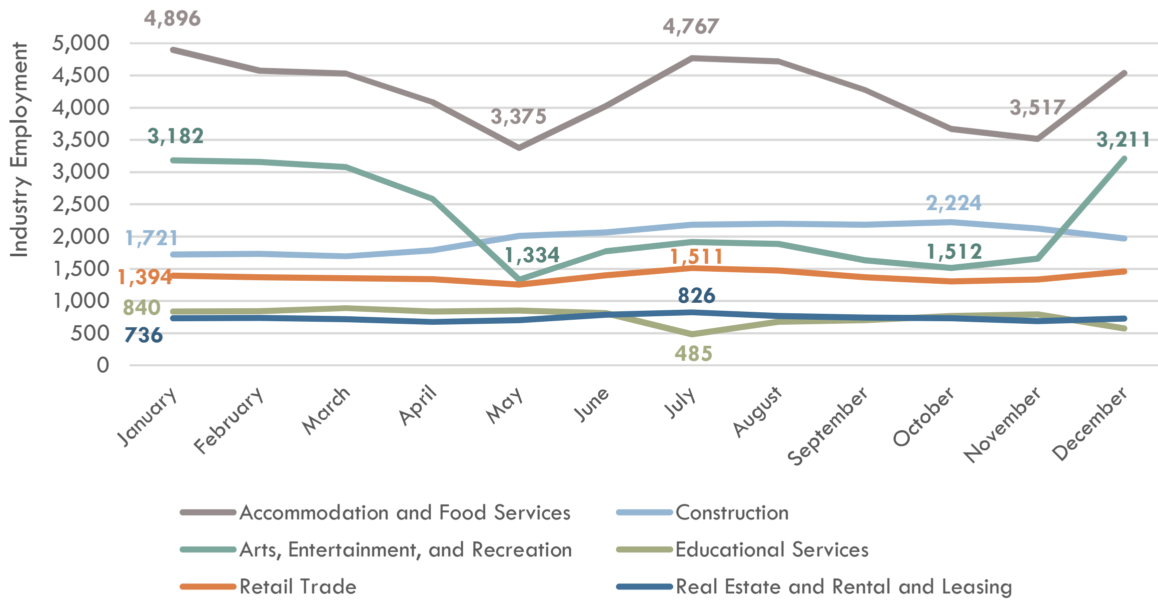
Figure 6: Seasonal Changes in Total Employment, Truckee North Tahoe Study Area and Comparison Counties, January 2014 to December 2014



Sources: California Employment Development Department, 2016; BAE, 2016.

As alluded to earlier, the significant seasonal fluctuations in employment within the Truckee North Tahoe region are primarily driven by seasonal labor demand originating from primarily visitor-serving industries. Figure 7 illustrates a number of key examples. Accommodation and Food Services represents the single largest employment sector in the Study Area and includes a variety of employment categories, such as hotel staff and assorted restaurant workers. As of January 2014, the industry employed nearly 4,900 workers. By May, during the traditional spring off-season, the total number of jobs in the industry declined to only around 3,400. However, during the peak summer season, the jobs total increased to nearly 4,800, which was just shy of the industry's winter-time peak. Employment again contracted during the fall off-season, reaching a low of around 3,500 total jobs, before increasing again as the industry headed into the 2015 winter season. There are a number of other industries that follow similar trends, all of which are closely tied to the tourism and recreation sectors. Arts, Entertainment, and Recreation, for example, shows similar trends, though this industry typically experiences a less robust summer time recovery, due to the absence of labor demand from the major ski resorts, which generally dominate this sector. Other industries show slightly different, non-visitor driven seasonal fluctuations. For example, employment in the Construction industry increases during the summer months and decreases during the winter months, due to prevailing weather conditions and snow loading. Meanwhile, the Educational Services sector experiences a notable decrease in summertime employment, due to the traditional summer vacation period. Examples of industries that maintain more stable employment levels throughout the year include Retail Trade and Real Estate and Rental and Leasing, which experience only minor increases in employment during the summer season.

Figure 7: Seasonal Changes in Employment for Select Industries, Truckee North Tahoe Study Area, January 2014 to December 2014

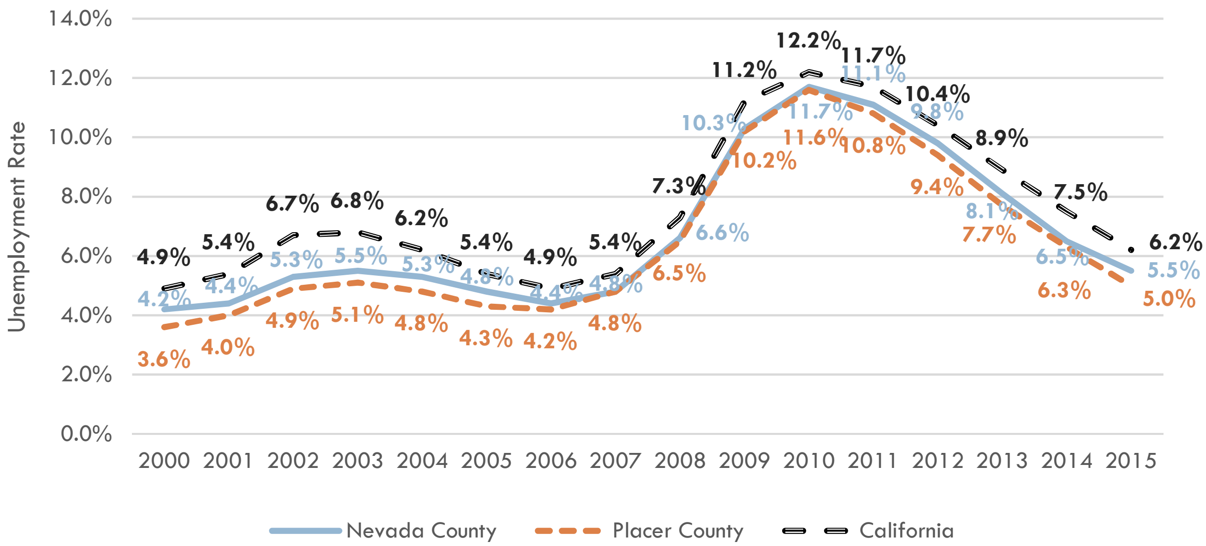


Sources: California Employment Development Department, 2016; BAE, 2016.

Unemployment and Labor Force Trends

As presented in Table 7 and Figure 8, the unemployment rate in the Comparison Counties was consistently lower than the statewide average by around one percentage point between 2000 and 2015. Between 2000 and 2007, the unemployment rate in the Comparison Counties averaged 4.5 percent, compared to 5.7 percent statewide. With the onset of the national recession in 2008, the unemployment rates in both areas increased, peaking in 2010 at 11.6 percent in the Comparison Counties and 12.2 percent in California. By 2012, the unemployment rates in both areas began to decline. As of 2015, the unemployment in the Comparison Counties reached an average annual low of 5.1 percent, which was one percentage point lower than the statewide average, but still one-half of a percentage point higher than the pre-recession average. As of 2015, the unemployment rate in Placer County averaged one-half of a percentage point lower than the Nevada County average, which was generally consistent with pre-recession trends.

Figure 8: Unemployment Rate Trends, Comparison Counties, 2000 to 2015



Sources: California Employment Development Department, 2016; BAE, 2016.

Table 7: Labor Force and Unemployment Trends, Comparison Counties, 2000 to 2015

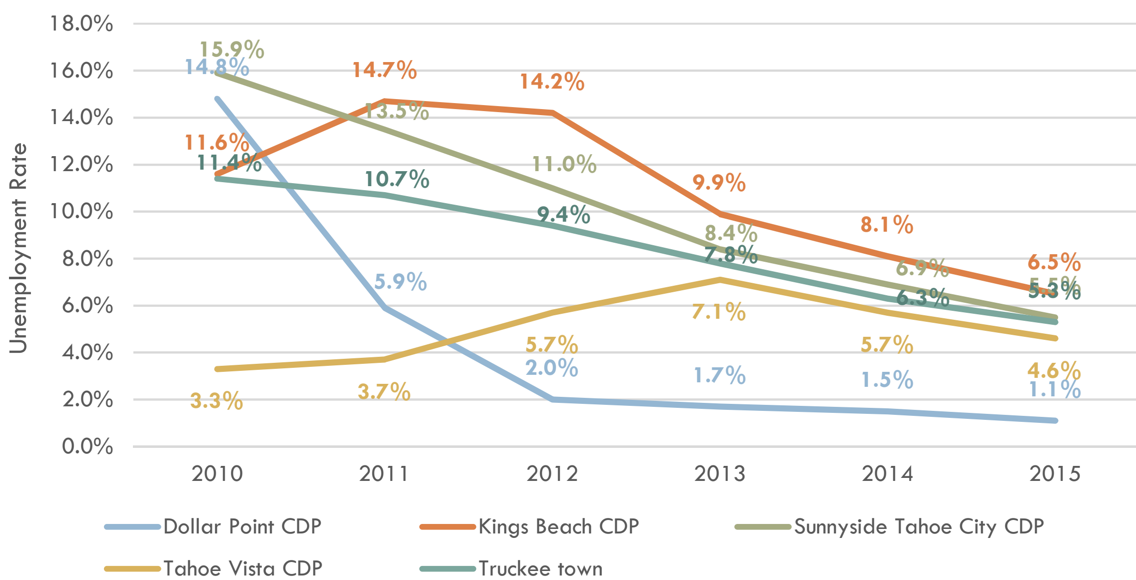
	Comparison Counties (a)				
Year	Labor Force	Employment	Unemployment	Unemployment Rate (b)	Statewide Average
2000	177,700	171,010	6,690	3.8%	4.9%
2001	185,900	178,250	7,660	4.1%	5.4%
2002	194,550	184,910	9,740	5.0%	6.7%
2003	200,980	190,600	10,370	5.2%	6.8%
2004	207,200	197,120	10,170	4.9%	6.2%
2005	213,440	204,080	9,450	4.4%	5.4%
2006	218,510	209,240	9,170	4.2%	4.9%
2007	222,630	211,920	10,610	4.8%	5.4%
2008	227,350	212,530	14,820	6.5%	7.3%
2009	230,080	206,600	23,470	10.2%	11.2%
2010	222,220	196,380	25,840	11.6%	12.2%
2011	222,720	198,490	24,230	10.9%	11.7%
2012	223,640	202,510	21,120	9.4%	10.4%
2013	224,590	207,080	17,510	7.8%	8.9%
2014	224,630	210,480	14,150	6.3%	7.5%
2015	226,640	215,000	11,640	5.1%	6.2%
Average Annual Change	1.7%	1.5%	5.5%	n.a.	n.a.

Notes:
(a) The Comparison Counties include both Placer County and Nevada County in California.
(b) Unemployment rates for the Comparison Counties are calculated using rounded employment and unemployment figures.

Sources: Bureau of Labor Statistics, Local Area Unemployment Statistics, 2016; BAE, 2016.

While the EDD does not publish place-level unemployment data prior to 2010, the available data indicate that the local unemployment trends in some Study Area communities differs considerably from the broader regionwide trend. For example, the data reported in Table 8 and Figure 9 indicate that the local unemployment rates in most Study Area communities – such as Dollar Point, Kings Beach, Sunnyside-Tahoe City, and Truckee – generally track with the regionwide trend. These communities experienced elevated levels of unemployment between 2010 and 2012, with the unemployment rate subsequently decreasing through 2015. However, the available data indicate that unemployment in Tahoe Vista remained comparatively low during this period, increasing moderately in 2012 through 2014, then decreasing in 2015. Of the communities for which data are available, the communities of Kings Beach, Sunnyside-Tahoe City, and Truckee had the highest unemployment rates in 2015 at 6.5 percent, 5.5 percent, and 5.3 percent, respectively. Tahoe Vista had a somewhat lower rate of 4.6 percent, which represented an increase of 1.3 percent over 2010. Dollar Point had the lowest rate of only 1.1 percent, which represented a decrease of 13.7 percent over 2010.

Figure 9: Unemployment Rate, Select Communities, 2010 to 2015



Sources: California Employment Development Department, 2016; BAE, 2016.

Table 8: Labor Force and Unemployment Trends, Select Communities, 2010 to 2015

Year	Labor Force	Employment	Unemployment	Unemployment Rate
Dollar Point CDP				
2010	500	400	100	14.8%
2011	500	500	n.a.	5.9%
2012	600	500	n.a.	2.0%
2013	500	500	n.a.	1.7%
2014	500	500	n.a.	1.5%
2015	500	500	n.a.	1.1%
Kings Beach CDP				
2010	2,400	2,100	300	11.6%
2011	2,400	2,100	400	14.7%
2012	2,600	2,200	400	14.2%
2013	2,500	2,300	200	9.9%
2014	2,500	2,300	200	8.1%
2015	2,500	2,300	200	6.5%
Sunnyside Tahoe City CDP				
2010	1,100	900	200	15.9%
2011	1,100	900	100	13.5%
2012	1,100	1,000	100	11.0%
2013	1,100	1,000	100	8.4%
2014	1,100	1,000	100	6.9%
2015	1,100	1,000	100	5.5%
Tahoe Vista CDP				
2010	900	900	n.a.	3.3%
2011	900	800	n.a.	3.7%
2012	800	800	n.a.	5.7%
2013	1,000	900	100	7.1%
2014	1,000	900	100	5.7%
2015	1,000	1,000	n.a.	4.6%
Town of Truckee				
2010	10,170	9,020	1,160	11.4%
2011	10,200	9,110	1,090	10.7%
2012	10,100	9,150	950	9.4%
2013	10,110	9,310	790	7.8%
2014	10,090	9,450	640	6.3%
2015	10,160	9,620	540	5.3%

Sources: Bureau of Labor Statistics, Local Area Unemployment Statistics, 2016; BAE, 2016.

Employed Residents by Occupation

Table 9 reports the number of employed residents by occupational category in the Truckee North Tahoe Study Area and the Comparison Counties.[11] The data confirm what is often described anecdotally, that an above-average proportion of the local labor force is employed in often seasonal and lower wage service-oriented occupations. The data indicate that between 2010 and 2014, there were an average of 4,414 employed residents in the Study Area working in Service Occupations, representing about 26.0 percent of the total employed population. The majority of those workers were employed in Food Preparation and Serving-Related Occupations, or Building Materials and Grounds Cleaning and Maintenance Occupations. In the Comparison Counties, by comparison, there were 35,088 employed residents working in Service Occupations, representing approximately 17.4 percent of the employed population.

Sales and Office Occupations represent another important occupational category in the Study Area. These occupations accounted for an average of 3,638 employed residents between 2010 and 2014, or around 21.4 percent of the total. These workers were fairly evenly distributed between Sales and Related Occupations and Office and Administrative Support Occupations. Recognizing that the local construction sector is largely driven by the second home market, some may also consider those working in Construction and Extraction Occupations to also be tied to the tourist economy. These occupations accounted for 10.2 percent of all employed residents.[12] Interestingly, more than one-third of the local employed population work in non-visitor serving occupations, which primarily fall into the Management, Business, Science, and Arts Occupations category, which accounted for an average of 5,703 employed residents, or 33.6 percent of the total.

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[11] As footnoted earlier, occupational employment refers to the number of area residents who are employed, including those who are employed both inside and outside of the area. Industry employment, by comparison, refers to the number of jobs that are available in a given place.

[12] Note that the proportion of employed residents working in the construction sector is considerably lower than the proportion of jobs in the construction sector. This reflects the significant number of persons who commute into the area to work on construction sites throughout the greater Truckee-North Tahoe region.

Table 9: Employed Residents 16 Years and Older by Occupation, Truckee North Tahoe Study Area, 2000 and 2010-2014 (a)

	2000		2010-2014		Percent
Occupation	Number	Percent	Number	Percent	**Change**
Management, business, science, and arts occupations	**6,026**	**32.3%**	**5,703**	**33.6%**	**-5.4%**
Management, business, and financial occupations	*2,616*	*14.0%*	*2,619*	*15.4%*	*0.1%*
Computer, engineering, and science occupations	*651*	*3.5%*	*467*	*2.7%*	*-28.3%*
Education, legal, community service, arts, and media occupations	*2,158*	*11.6%*	*1,538*	*9.1%*	*-28.7%*
Healthcare practitioners and technical occupations	*601*	*3.2%*	*1,079*	*6.4%*	*79.5%*
Service occupations	**3,717**	**19.9%**	**4,414**	**26.0%**	**18.8%**
Healthcare support occupations	*150*	*0.8%*	*203*	*1.2%*	*35.3%*
Protective service occupations	*463*	*2.5%*	*263*	*1.5%*	*-43.2%*
Food preparation and serving related occupations	*1,554*	*8.3%*	*2,075*	*12.2%*	*33.5%*
Building and grounds cleaning and maintenance occupations	*962*	*5.2%*	*1,187*	*7.0%*	*23.4%*
Personal care and service occupations	*588*	*3.2%*	*686*	*4.0%*	*16.7%*
Sales and office occupations	**4,465**	**23.9%**	**3,638**	**21.4%**	**-18.5%**
Sales and related occupations	*2,408*	*12.9%*	*1,791*	*10.5%*	*-25.6%*
Office and administrative support occupations	*2,057*	*11.0%*	*1,847*	*10.9%*	*-10.2%*
Natural resources, construction, and maintenance occupations	**3,117**	**16.7%**	**2,110**	**12.4%**	**-32.3%**
Farming, fishing, and forestry occupations	*138*	*0.7%*	*29*	*0.2%*	*-79.0%*
Construction and extraction occupations	*2,333*	*12.5%*	*1,740*	*10.2%*	*-25.4%*
Installation, maintenance, and repair occupations	*646*	*3.5%*	*341*	*2.0%*	*-47.2%*
Production, transportation, and material moving occupations	**1,327**	**7.1%**	**1,119**	**6.6%**	**-15.7%**
Production occupations	*620*	*3.3%*	*526*	*3.1%*	*-15.2%*
Transportation occupations	*443*	*2.4%*	*250*	*1.5%*	*-43.6%*
Material moving occupations	*264*	*1.4%*	*343*	*2.0%*	*29.9%*
Total, All Residents 16 Year of Age or older	**18,652**	**100%**	**16,984**	**100%**	**-8.9%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.

Sources: U.S. Census Bureau, Census 2000, Summary File 3, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Regional Commute Patterns

Table 10 reports data on regional commuting patterns collected from the Longitudinal Employer-Household Dynamics (LEHD) dataset, which is published by the Center for Economic Studies at the U.S. Census Bureau. Note that the jobs and employed resident totals reported here differ from those reported above, due to variations in data source and time period. The data indicate that the rate of in-commuting (i.e., the percentage of persons employed in the Study Area who live outside of the Study Area) tends to increase during times of economic growth and declines during times of economic hardship. For example, the rate of in-commuting increased steadily during the last major economic expansion, from 55.4 percent in 2002 to a peak of 61.5 percent in 2008. Following the onset of the most recent national recession, the proportion of in-commuters dropped to a low of 49.7 percent in 2010, likely due to improvements in housing affordability within the Study Area. As the economy transitioned

from recovery to expansion, the proportion of in-commuters began to increase, growing to 58.6 percent in 2013, the most recent year for which data are available.
Conversely, the proportion of employed Study Area residents that work outside of the region has increased steadily since 2002, with far less fluctuation in response to state and national economic conditions. For example, an estimated 37.8 percent of the employed resident population worked outside the Study Area in 2002. This increased fairly consistently to a high of 48.5 percent in 2010, though it has since declined to 46.6 percent in 2013. One possible explanation for these trends is that many of the region's out-commuters are higher-income workers who are less likely to be laid off during tough economic times. Anecdotal evidence also suggests that many of these workers may be telecommuters who are employed in the San Francisco Bay Area and elsewhere.

Table 10: Commute Flows, Truckee North Tahoe Study Area, 2003 and 2013 (a)

	2003		2013		Percent
	Count	Share	Count	Share	Change
Employed in Region	**14,266**	**100%**	**15,825**	**100%**	10.9%
Live Outside Region/In-Commuters	7,875	55.2%	9,271	58.6%	17.7%
Live Within Region	6,391	44.8%	6,554	41.4%	2.6%
Living in Region	**10,326**	**100%**	**12,277**	**100%**	18.9%
Work Outside Region/Out-Commuters	3,935	38.1%	5,723	46.6%	45.4%
Work Within Region	6,391	61.9%	6,554	53.4%	2.6%
Net Inflow/Outflow	**3,940**		**3,548**		-9.9%

Note:
(a) The Truckee North Tahoe Study Area is defined based on 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.

Sources: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2015; BAE, 2015.

Regional Growth Projections

Since the Truckee North Tahoe Study Area is a custom geography based on Census Block Group boundaries, there are no projections data available that speak to the anticipated population and household growth within the Truckee North Tahoe region specifically. Therefore, the county-level projections published by the California Department of Finance (DoF) and the California Department of Transportation (Caltrans) represent the best available data.

Table 11 reports projections of population, households, and housing units in the Comparison Counties, based on data published by the DoF. Based on these data, the Comparison Counties may expect to gain more than 83,800 new residents and 40,340 new households between 2015 and 2030. If realized, this population growth would represent an average annual growth rate of 1.1 percent per year, with an average annual household growth rate of 1.3 percent per year. The majority of this growth is anticipated to occur in Placer County, which may be expected to add up to 74,320 new residents and 34,220 new households through 2030, compared to 9,500 residents and 6,120 households in Nevada County. If the Truckee North Tahoe Study Area were to maintain its current share of the broader bi-county population and household growth, it may reasonably expect to gain approximately 5,500 new residents and 2,720 new households during this period. However, the contemporary demographic trends identified in Table 1 indicate that the Truckee North Tahoe Study Area lost population between 2000 and 2010-2014. It is, therefore, unlikely that the Study Area will capture its fair share of future population and household growth.

Table 12 reports employment projections by industry for the Comparison Counties, as reported by the Caltrans. According to these projections, the Comparison Counties may expect to add approximately 43,320 jobs between 2015 and 2030, which equals an average annual growth rate of around 1.4 percent. Caltrans anticipates the majority of this employment growth will occur in Placer County, which may see up to 39,500 new jobs through 2030, added at a rate of 1.6 percent per year, compared to only 3,620 in Nevada County, added at a rate of only 0.8 percent per year. The major growth industries in the Comparison Counties are projected to include Health and Education (9,140 jobs, 2.1 percent per year), Professional Services (8,180 jobs, 2.5 percent per year), Leisure (7,620 jobs, 1.7 percent per year), Wholesale and Retail Trade (4,210 jobs, 1.0 percent per year), and Government (3,850 jobs, 1.0 percent per year). If the Truckee North Tahoe Study Area maintains it current share of total employment within the Comparison Counties, the Study Area may expect to add approximately 4,000 new jobs through 2030, which would represent an average annual growth rate of 1.4 percent, which is notably lower than the historic growth rate between 2000 and 2014 of 1.8 percent per year.

Table 11: Projected Growth in Population, Households, and Housing Units, Nevada County and Placer County, 2015 to 2030

Projection Type	2015	2020	2025	2030	Absolute Growth (2015-2030)	Avg. Annual Growth Rate (2015-2030)
Nevada County						
Population	98,627	101,780	105,407	108,129	9,502	0.62%
Households	42,096	44,278	46,474	48,216	6,120	0.91%
Housing Units (a)	31,868	33,520	35,183	36,501	4,633	0.91%
Placer County						
Population	373,433	396,267	421,174	447,753	74,320	1.22%
Households	144,999	156,676	168,038	179,222	34,223	1.42%
Housing Units (a)	125,444	135,546	145,376	155,051	29,608	1.42%

Note:
(a) Based on the residential vacancy rate reported in the 2014 1-Year ACS.

Sources: California Department of Finance, Demographic Research Unit, 2016; U.S. Census Bureau, 2014 American Community Survey, 2016; BAE, 2016.

Table 12: Projected Growth in Employment by Industry, Nevada County and Placer County, 2015 to 2030

Nevada County

Industry	2015 Number	2015 Percent	2030 Number	2030 Percent	Absolute Growth (2015-2030)	Avg. Annual Growth Rate (2015-2030)
Agriculture	6,080	20.0%	6,800	19.9%	720	0.7%
Construction	70	0.2%	80	0.2%	10	0.9%
Manufacturing	2,780	9.2%	2,930	8.6%	150	0.4%
Transportation and Utilities	1,410	4.6%	1,490	4.4%	80	0.4%
Wholesale and Retail Trade	480	1.6%	490	1.4%	10	0.1%
Financial Activities	4,210	13.9%	4,400	12.9%	190	0.3%
Professional Services	1,320	4.3%	1,400	4.1%	80	0.4%
Information	2,190	7.2%	2,940	8.6%	750	2.0%
Health and Education	300	1.0%	340	1.0%	40	0.8%
Leisure	5,020	16.5%	5,740	16.8%	720	0.9%
Government	4,890	16.1%	5,240	15.3%	350	0.5%
Total Employment (a)	30,360	**100%**	**34,180**	**100%**	**3,820**	**0.8%**

Placer County

Industry	2015 Number	2015 Percent	2030 Number	2030 Percent	Absolute Growth (2015-2030)	Avg. Annual Growth Rate (2015-2030)
Agriculture	390	0.3%	500	0.3%	110	1.7%
Construction	10,400	6.9%	11,800	6.2%	1,400	0.8%
Manufacturing	6,600	4.4%	7,200	3.8%	600	0.6%
Transportation and Utilities	3,400	2.3%	5,000	2.6%	1,600	2.6%
Wholesale and Retail Trade	26,400	17.6%	30,600	16.1%	4,200	1.0%
Financial Activities	11,200	7.5%	11,700	6.2%	500	0.3%
Professional Services	16,600	11.0%	24,700	13.0%	8,100	2.7%
Information	2,100	1.4%	2,600	1.4%	500	1.4%
Health and Education	25,200	16.8%	34,300	18.1%	9,100	2.1%
Leisure	22,200	14.8%	29,100	15.3%	6,900	1.8%
Government	19,800	13.2%	23,300	12.3%	3,500	1.1%
Total Employment (a)	**150,300**	**100%**	**189,800**	**100%**	**39,500**	**1.6%**

Note:
(a) Figures may not sum to totals due to rounding.

Sources: California Department of Transportation, Long-Term Socio-Economic Forecasts by County, 2016; BAE, 2016.

HOUSING STOCK CHARACTERISTICS

The following section reviews the characteristics of the North Tahoe regional housing stock. Data sources used for this analysis include Census 2000, the 2010-2014 ACS, and HUD's CHAS dataset.

Units in Structure

Table 13 reports the number of housing units by type in the Truckee North Tahoe Study Area and the Comparison Counties, respectively. Single-family housing units represent the dominant housing type in the Study Area, with all types of multifamily housing representing a clear minority. Single-family homes, both attached and detached, accounted for 80.1 percent of the housing stock in the Study Area between 2010 and 2014. This represents a modest decrease in the Study Area since 2000, when 85.1 percent of all housing units were single-family structures. This change was primarily driven by the loss of nearly 1,000 attached single-family housing units and the addition of some 2,000 new multifamily housing units. The multifamily housing stock in the Study Area is generally composed of smaller rental complexes containing fewer than 20 units each. These account for approximately 13.8 percent of the total housing stock. Larger multifamily complexes account for 2.9 percent of all housing units in the Study Area. Mobile homes, by comparison, account for around 3.0 percent of all units, while non-standard housing (i.e., boats, RVs, vans, etc.) account for around 0.2 percent. While this overall distribution is fairly comparable to the distribution seen in the Comparison Counties, the Study Area is notably underrepresented in terms of multifamily housing options in larger complexes.

While the data indicate that the housing stock in each of the CDPs located within the Study Area is similarly dominated by single-family housing units, there are four communities where the proportion of multifamily units exceeded the regionwide average, including Dollar Point, Kings Beach, Soda Springs, and Tahoe Vista. While the Town of Truckee had a below-average proportion of multifamily units, it did have the largest absolute number of any CDP for which data are available, with 1,711 multifamily units. Despite having a relatively small number of units, Dollar Point had the highest proportion of multifamily units at 34.7 percent. Kings Beach and Soda Springs had similar proportions at 31.4 and 31.5 percent, respectively, while Tahoe Vista came in at the lowest of the four at 19.6 percent. The multifamily housing stock in all four communities is generally skewed toward the smaller properties with between two and four units, though Soda Springs shows large concentrations of units in properties with five to 19 units and 20-49 units. Note that all of these communities are relatively small, so that the introduction of a small number of units can significantly change the proportion. There were similarly three communities that had proportions of mobile home units that exceeded the region wide average, including Kings Beach, Tahoe Vista, and the Town of Truckee.

Table 13: Housing Stock Characteristics, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2010-2014

	Truckee North Tahoe Study Area (a)				**Comparison Counties** (b)			
	2000 (c)		2010-2014		2000 (c)		2010-2014	
Units in Structure	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Detached Single-Family	22,565	79.7%	26,110	78.5%	117,773	77.7%	163,321	78.5%
Attached Single-Family	1,523	5.4%	534	1.6%	5,008	3.3%	5,921	2.8%
2 to 4 Units	1,698	6.0%	2,951	8.9%	7,264	4.8%	10,516	5.1%
5 to 19 Units	1,359	4.8%	1,644	4.9%	7,537	5.0%	12,461	6.0%
20 to 49 Units	275	1.0%	531	1.6%	1,368	0.9%	2,533	1.2%
50 Units or More	183	0.6%	429	1.3%	4,583	3.0%	5,349	2.6%
Mobile Homes	659	2.3%	1,006	3.0%	7,797	5.1%	7,458	3.6%
Boats, RV's, Vans, Other	46	0.2%	63	0.2%	254	0.2%	386	0.2%
Total, All Units	**28,308**	**100%**	**33,268**	**100%**	**151,584**	**100%**	**207,945**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.
(c) The percent distribution of housing units is from Census 2000 Summary File 3, while the total housing units estimate is from Census 2000, Summary File 1.

Sources: U.S. Census Bureau, Census 2000, Summary File 1 and Summary File 3, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Housing Condition Assessment

As reported in Table 14, the housing stock in the Truckee North Tahoe Study Area is somewhat older than elsewhere in Placer and Nevada counties. The data indicate that roughly 12.9 percent of the housing stock was built before 1970, with 28.0 percent being constructed between 1970 and 1979. This amounts to approximately 17,100 housing units that are greater than 30 years old, meaning that they may be in significant need of repair or replacement. Units built during the 1980s, 1990s, and 2000s account for 48.2 percent of the total housing stock. Being of newer construction, these 16,050 units are less likely to be in need of significant repair or replacement. The data also reflect the fact that the pace of development slowed significantly within the Study Area following the building boom of the 1970s. For example, the data show that 18.2 percent of the housing stock was constructed in the 1980s, while 15.9 percent was added during the 1990s and 14.1 percent was added during the 2000s. Between 2000 and 2014, the data indicate that the Study Area added a net of only 117 new housing units, representing 0.4 percent of the total housing stock, which likely underrepresents the amount of development that occurred within the region, recognizing that more than 117 units were likely constructed in the greater Truckee area during this period. For example, in the mid-2000s, the Town of Truckee issued 385 building permits for new single-family housing units, which is more than twice the number of units reported in the available Census data.

Table 14: Housing Stock by Year built, Truckee North Tahoe Study Area and Comparison Counties, 2010-2014

	Truckee North Tahoe Study Area (a)		Comparison Counties (b)	
Year Built	Number	Percent	Number	Percent
Built 2010 or Later	117	0.4%	2,566	1.2%
Built 2000 to 2009	4,701	14.1%	52,537	25.3%
Built 1990 to 1999	5,304	15.9%	39,568	19.0%
Built 1980 to 1989	6,040	18.2%	36,709	17.7%
Built 1970 to 1979	9,323	28.0%	36,733	17.7%
Built 1960 to 1969	3,476	10.4%	15,191	7.3%
Built 1950 to 1959	2,180	6.6%	9,491	4.6%
Built 1940 to 1949	753	2.3%	5,443	2.6%
Built 1939 or Earlier	1,374	4.1%	9,707	4.7%
Total, All Units	**33,268**	**100%**	**207,945**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2010 Census Block Groups, to approximate the area encompassed w ithin the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

The relative age of the housing stock varies notably throughout the Truckee North Tahoe region. For example, the available data indicate that the housing stock in most of the communities located on Lake Tahoe was developed beginning in the 1950s and 1960s. For some communities, like Carnelian Bay and Dollar Point, development largely stopped by the end of the 1980s, with less than 10 percent of the housing stock having been constructed since 1990. Other communities, like Kings Beach, Tahoe Vista, and Tahoma experienced more even development pressure with a notable proportion of the housing stock developed through the 2000s. By comparison, the communities of Kingvale and Soda Springs, located on Donner Summit, experienced more erratic patterns. For example, both communities show a significant number of historic units, developed prior to 1939 (14.4 percent in Kingvale and 31.5 percent in Soda Springs). However, development largely ceased in Kingvale until the 1960s through the 1980s, when the majority of the community's housing was constructed. Development in Soda Springs continued after 1939 until the end of the 1950s. Development then tracked quite unevenly, with notable surges of development in the 1970s and 1990s. In Floriston, units were either built prior to 1939 or during the 2000s. Unlike other communities in the Truckee North Tahoe Study Area, the Town of Truckee features a minority of units constructed prior to 1970. The majority of the Town's housing was subsequently built between 1970 and 2009.

As described in the Housing Elements for Nevada and Placer Counties and the Town of Truckee, housing is considered substandard when physical conditions are below the minimum standard of living defined by the California Health and Safety Code. Households in substandard housing are considered in need of housing assistance, even when otherwise satisfied with their housing arrangements.

Nevada County

As reported in the 2014-2019 Housing Element for Nevada County, a survey of three percent of the housing units in the unincorporated area identified 108 housing units in dilapidated condition, representing 6.7 percent of the sample. When applied to the countywide housing stock, these data suggest that the county features more than 2,000 housing units that are in need of significant repair and/or replacement. If replaced over the next five years, the County would need to permit at least 423 new housing units each year. However, the Housing Element indicates that this is likely an over- estimation of the number of units in need of repair or replacement. The Housing Element supports this assertion based on the issuance of a total of 57 demolition permits between 2009 and 2013, for an annual average of only 11 permits per year. No discussion is provided regarding the distribution of dilapidated or substandard housing units throughout Nevada County.

Placer County

The 2014-2021 Housing Element for Placer County indicates that the last countywide housing conditions survey was conducted in 1995. That survey concluded that special attention should be paid to the communities of Auburn-Bowman and Kings Beach, since those areas included large numbers of homes in need of rehabilitation and/or replacement. Even in 1995, the Kings Beach area featured large numbers of lower-income households, many of whom presumably lacked the financial resources to make necessary repairs and to replace broken or worn fixtures.

Town of Truckee

According to the Town of Truckee 2014-2019 Housing Element, there are approximately 24 housing units in need of rehabilitation and five in need of replacement within the Town limits. As of the 2010 Census, there were a total of 91 units that lacked complete plumbing facilities. These were fairly evenly divided between owner- and renter-occupied housing units. There were also 137 units that lacked complete kitchen facilities, which were much more likely to be occupied by renter households. According to Town staff, there are notable concentrations of sub-standard units in the Downtown and near Donner Lake, corresponding with the location of units constructed before 1960.

Occupancy and Vacancy Status

As presented in Table 15, the Census Bureau recorded an average residential vacancy rate of 64.5 percent in the Study Area between 2010 and 2014. This is compared to only 15.9 percent in the Comparison Counties. The vacancy rates in both areas were higher than in the year 2000, when 55.4 percent of all housing units in the Study Area were vacant, compared to 14.1 percent in the Comparison Counties. The residential vacancy rate in both areas is driven almost entirely by the high numbers of units left vacant “for seasonal, recreational, or occasional use." For example, of the 21,466 vacant housing units reported in the Study Area between 2010 and 2014, 20,039 were vacant for seasonal or occasional use. Excluding these units from the vacancy rate calculation results in a functional vacancy rate of 4.3 percent, which better reflects vacancy among housing units that are available or year-round occupancy. This represents a moderate increase since 2000, when roughly 3.0 percent of the housing stock was vacant, excluding seasonal occupied units.

The available data on residential vacancy for each of the CDPs located in the Study Area indicates that nearly all of the individual communities located within the Truckee North Tahoe region experienced similarly high levels of residential vacancy, with the exception of Floriston, which had zero vacancy. The highest levels of vacancy were recorded in Tahoma (80.4 percent), Kingvale (78.6 percent), Carnelian Bay (77.6 percent), Dollar Point (74.3 percent), and Soda Springs (72.7 percent). Only three communities, other than Floriston, had overall vacancy rates that were below the region wide average, including Sunnyside-Tahoe City (63.7 percent), Truckee (52.1 percent), and Kings Beach (51.4 percent). Once the seasonal units are excluded from the vacancy calculation, the communities with the highest functional vacancy include Soda Springs (9.7 percent) and Tahoe Vista (6.9 percent). The communities with the lowest functional vacancy rates include the Town of Truckee (2.8 percent), Carnelian Bay (3.7 percent), and Dollar Point (4.2 percent). The remaining communities had functional vacancy rates, excluding seasonal units, of around 5.0 percent.

Table 15: Housing Occupancy and Vacancy Status, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2010-2014

	Truckee North Tahoe Study Area (a)				**Comparison Counties** (b)			
	2000		2010-2014		2000		2010-2014	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Occupied Housing Units	12,624	44.6%	11,802	35.5%	130,276	85.9%	174,949	84.1%
Vacant Housing Units	15,684	55.4%	21,466	64.5%	21,308	14.1%	32,996	15.9%
For rent	*259*	*0.9%*	*427*	*1.3%*	*1,997*	1.3%	*3,074*	*1.5%*
For sale only	*114*	*0.4%*	*465*	*1.4%*	*1,211*	0.8%	*2,661*	*1.3%*
Rented or sold, not occupied	*138*	*0.5%*	*291*	*0.9%*	*892*	0.6%	*1,301*	*0.6%*
For seasonal or occasional use	*14,848*	*52.5%*	*20,039*	*60.2%*	*15,820*	10.4%	*22,845*	*11.0%*
For migrant workers	*5*	*0.0%*	*0*	*0.0%*	*25*	0.0%	*2*	*0.0%*
Other vacant (c)	*320*	*1.1%*	*244*	*0.7%*	*1,363*	0.9%	*3,113*	*1.5%*
Total, All Units	**28,308**	**100%**	**33,268**	**100%**	**151,584**	**100%**	**207,945**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.
(c) If a vacant unit does not fall into any of the classifications specified above, it is classified as "other vacant." For example, this category includes units held for occupancy by a caretaker or janitor, and units held vacant by the owner for personal reasons.

Sources: U.S. Census Bureau, Census 2000, Summary File 1, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Housing Units by Size and Tenure

Table 16 reports the number of housing units by unit size household tenure, and vacancy status. As discussed above, the majority of the vacant units reported by the Census Bureau were held vacant for seasonal and occasional use. As such, those units were not available for year-round occupancy. For the purposes of this analysis, only those units reported as renter- or owner-occupied are considered part of the available housing stock. About 9.9 percent of the permanently occupied housing stock were one-bedroom or studio type units. However, as presented in Table 17, about 25.9 percent of the residents in the Study Area have just one person, another 38.0 percent contain two people. This indicates a significant mismatch between the available housing stock, which is biased toward larger units, and household characteristics, which indicate that nearly two-thirds of all households contain only one or two people. While many households, particularly those with higher incomes, prefer to live in larger units, the difference between these two proportions indicates an under-supply of smaller housing units, with many households living in units that are larger and more expensive than they might otherwise need or desire. This significant mismatch may be exacerbated if the region follows national trends toward increasing numbers of households without children and persons living alone, which would increase the need for smaller housing units.

Table 16: Housing Units by Size and Occupancy Status, Truckee North Tahoe Study Area and Comparison Counties, 2010-2014

	Truckee North Tahoe Study Area (a)							
	Owner Occupied		Renter Occupied		Vacant		All Units	
Unit Size	Number	Percent	Number	Percent	Number	Percent	Number	Percent
No Bedroom	30	0.4%	368	8.7%	509	2.4%	907	2.7%
1-Bedroom	230	3.0%	674	15.9%	1,478	6.9%	2,382	7.2%
2-Bedroom	1,230	16.3%	1,458	34.4%	3,875	18.1%	6,563	19.7%
3-Bedroom	3,842	50.8%	1,427	33.6%	9,364	43.6%	14,633	44.0%
4-Bedroom	1,883	24.9%	316	7.4%	4,754	22.1%	6,953	20.9%
5-Bedroom or More	344	4.6%	0	0.0%	1,486	6.9%	1,830	5.5%
Total, All Sizes	**7,559**	**100%**	**4,243**	**100%**	**21,466**	**100%**	**33,268**	**100%**

	Comparison Counties (b)							
	Owner Occupied		Renter Occupied		Vacant		All Units	
Unit Size	Number	Percent	Number	Percent	Number	Percent	Number	Percent
No Bedroom	463	0.4%	1,700	3.3%	994	3.0%	3,157	1.5%
1-Bedroom	2,452	2.0%	10,363	20.4%	3,102	9.4%	15,917	7.7%
2-Bedroom	22,156	17.8%	19,490	38.4%	7,702	23.3%	49,348	23.7%
3-Bedroom	55,534	44.7%	14,117	27.8%	13,094	39.7%	82,745	39.8%
4-Bedroom	33,253	26.8%	4,425	8.7%	5,993	18.2%	43,671	21.0%
5-Bedroom or More	10,336	8.3%	660	1.3%	2,111	6.4%	13,107	6.3%
Total, All Sizes	**124,194**	**100%**	**50,755**	**100%**	**32,996**	**100%**	**207,945**	**100%**

Notes:

(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.

(b) The Comparison Counties include both Placer County and Nevada County in California.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Table 17: Households by Size and Tenure, Truckee North Tahoe Study Area and Comparison Counties, 2010-2014

	Truckee North Tahoe Study Area (a)					
	Owner Occupied		Renter Occupied		All Households	
Household Size	Number	Percent	Number	Percent	Number	Percent
1-Person	1,694	22.4%	1,360	32.1%	3,054	25.9%
2-Persons	3,177	42.0%	1,306	30.8%	4,483	38.0%
3-Persons	1,175	15.5%	607	14.3%	1,782	15.1%
4-Persons	1,129	14.9%	637	15.0%	1,766	15.0%
5-Persons	288	3.8%	203	4.8%	491	4.2%
6-Persons	26	0.3%	84	2.0%	110	0.9%
7-Persons or More	70	0.9%	46	1.1%	116	1.0%
Total, All Sizes	**7,559**	**100%**	**4,243**	**100%**	**11,802**	**100%**

	Comparison Counties (b)					
	Owner Occupied		Renter Occupied		All Households	
Household Size	Number	Percent	Number	Percent	Number	Percent
1-Person	26,705	21.5%	16,597	32.7%	43,302	24.8%
2-Persons	51,748	41.7%	15,340	30.2%	67,088	38.3%
3-Persons	18,116	14.6%	7,739	15.2%	25,855	14.8%
4-Persons	16,890	13.6%	6,598	13.0%	23,488	13.4%
5-Persons	7,171	5.8%	2,552	5.0%	9,723	5.6%
6-Persons	2,489	2.0%	1,423	2.8%	3,912	2.2%
7-Persons or More	1,075	0.9%	506	1.0%	1,581	0.9%
Total, All Sizes	**124,194**	**100%**	**50,755**	**100%**	**174,949**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Overcrowding

The Census Bureau defines overcrowded housing units as those with more than one person per room. Table 18 reports estimates of overcrowding in the Truckee North Tahoe Study Area and the Comparison Counties by tenure. According to these data, the households in the Truckee North Tahoe Study Area are notably more likely to live in overcrowded conditions compared to those in Comparison Counties more broadly. For example, the average rate of overcrowding in the Study Area between 2010 and 2014 was 4.8 percent, compared to only 2.4 percent in the Comparison Counties. However, the available data also indicate that the relative prevalence of overcrowding actually decreased in the Study Area between 2000 and the 2010-2014 period. The majority of the decrease occurred among owner-occupied housing units, though the rate of overcrowding also decreased among renter occupied units. For example, the rate of overcrowding among all units decreased from 6.9 percent in 2000 to 4.8 percent between 2010 and 2014. The rate of overcrowding among owner-occupied housing units decreased by 4.1 percentage points in 2000 to only 1.0 percent between 2010 and 2014. The rate of overcrowding was much higher among renter households at 12.8 percent in 2000, which decreased to an average of 11.7 percent between 2010 and 2014. These reported decreases in the prevalence of residential overcrowding generally contradict the anecdotal experience of many within the Truckee North Tahoe region. One likely explanation is the undercounting of some of the households that are the most likely to experience housing problems, like overcrowding. For example, community members indicated that seasonal workers are often observed to occupy overcrowded units. These households are likely underrepresented in the Census data, since many are moderately transient and are more likely to indicate that they maintain a permanent residence outside of the area. Similarly, persons who are undocumented, or who have unclear residency status, can be less likely to complete Census forms and to indicate that they face housing problems due to fear of immigration enforcement actions.

Table 18: Overcrowding by Tenure, Truckee North Tahoe Study Area and Comparison Counties, 2000 and 2010-2014

	Truckee North Tahoe Study Area (a)				**Comparison Counties** (b)			
	2000 (c)		2010-2014		2000 (c)		2010-2014	
Persons Per Room	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied Units								
1.00 Person or Less	8,171	95.9%	7,487	99.0%	94,223	97.8%	122,901	99.0%
1.01 - 1.50 Persons	205	2.4%	43	0.6%	1,471	1.5%	945	0.8%
1.51 - 2.00 Persons	85	1.0%	0	0.0%	446	0.5%	218	0.2%
2.01 Persons or More	59	0.7%	29	0.4%	190	0.2%	130	0.1%
Subtotal: Owner-Occupied	**8,520**	**100%**	**7,559**	**100%**	**96,330**	**100%**	**124,194**	**100%**
Overcrowded Units	*349*	*4.1%*	*72*	*1.0%*	*2,107*	*2.2%*	*1,293*	*1.0%*
Renter Occupied Units								
1.00 Person or Less	3,578	87.2%	3,747	88.3%	31,092	91.6%	47,907	94.4%
1.01 - 1.50 Persons	136	3.3%	270	6.4%	1,409	4.1%	1,970	3.9%
1.51 - 2.00 Persons	190	4.6%	158	3.7%	890	2.6%	732	1.4%
2.01 Persons or More	200	4.9%	68	1.6%	556	1.6%	146	0.3%
Subtotal: Renter-Occupied	**4,104**	**100%**	**4,243**	**100%**	**33,946**	**100%**	**50,755**	**100%**
Overcrowded Units	*526*	*12.8%*	*496*	*11.7%*	*2,854*	*8.4%*	*2,848*	*5.6%*
Total Households	**12,624**		**11,802**		**130,276**		**174,949**	
Overcrowded Units	*876*	*6.9%*	*568*	*4.8%*	*4,961*	*3.8%*	*4,141*	*2.4%*

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2000 and 2010 Census Block Groups, to approximate the area encompassed within the desired study area. For a complete listing of the included Census Block Groups, please refer to Appendix A.
(b) The Comparison Counties include both Placer County and Nevada County in California.
(c) The percent distribution of persons per room is from Census 2000 Summary File 3, while the total household by tenure estimate is from Census 2000, Summary File 1.

Sources: U.S. Census Bureau, Census 2000, Summary File 1 and Summary File 3, 2015; U.S. Census Bureau, 2010-2014 American Community Survey, 2015; BAE, 2015.

Housing Cost Burden

Table 19 presents data on housing cost burdens for owner and renter households in the Truckee North Tahoe Study Area, by HUD defined income category. The data are from the same 2008-2012 CHAS dataset described earlier in Table 4. As discussed previously, the household income categories are defined in relation to the HUD Adjusted Median Family Income, or HAMFI. HUD estimates monthly housing cost burdens as a share of a household's monthly income. Households are considered to have an excessive housing cost burden when it exceeds 30 percent of the monthly gross household income. Households are considered to have a severe housing cost burden when monthly housing costs exceed 50 percent of the monthly gross household income. For renter households, housing costs include rental payments, plus utility charges. For owner households, cost burden calculations include mortgage principal, interest, property taxes, and insurance (PITI), but do not include utility charges.

All Income Levels: Among households at all income levels in the Truckee North Tahoe Study Area, 49.1 percent had housing cost burdens greater than 30 percent of income, while 26.1 percent had cost burdens greater than 50 percent of income. Owner households with excessive or severe cost burdens accounted for 45.6 percent of all owner households, while renter households with excessive or severe cost burdens accounted for 56.4 percent of all renter households.

Extremely Low-Income: Households in this income category are typically the most heavily impacted by high housing costs. In the Truckee North Tahoe Study Area, 81.0 percent had housing cost burdens of greater than 30 percent, while 78.0 percent had cost burdens greater than 50 percent of income. Both owner and renter households in this category were highly impacted, with 79.3 percent of owner households and 82.1 percent of renter households facing cost burdens greater than 30 percent.

Very Low-Income: Households in this income category were burdened with similar frequency to households in the extremely low-income category, with 82.3 percent of all households paying more than 30 percent of income to housing, and 56.7 percent paying greater than 50 percent. Owner households in this income range were somewhat less effected, with 67.4 percent paying more than 30 percent of income. Renter households in this income category were more deeply impacted than those in the extremely low-income category, with 95.8 percent paying more than 30 percent.

Low-Income: The prevalence of overpayment among low-income households is less than in the two other lower-income categories, though 66.3 percent of all low-income households still paid greater than 30 percent of income on housing costs, while 38.4 percent paid greater than 50 percent. Among low-income households that own their home, 70.2 percent paid had cost burdens of greater than 30 percent. Among renter households approximately 60.6 percent paid greater than 30 percent of income to housing costs.

Moderate Income: Among moderate income households in the Truckee North Tahoe Study Area, 50.6 percent had housing cost burdens greater than 30 percent of income, while 22.6 percent had cost burdens greater than 50 percent of income. Owner households with excessive or severe cost burdens accounted for 58.0 percent of all owner households, while renter households with excessive or severe cost burdens accounted for 41.7 percent of all renter households.

Above Moderate Income: Among the above moderate households in the Truckee North Tahoe Study Area, 27.6 percent had housing cost burdens greater than 30 percent of income, while only 4.5 percent had cost burdens greater than 50 percent of income. Owner households with excessive or severe cost burdens accounted for 29.7 percent of above moderate income owner households, while renter households with excessive or severe cost burdens accounted for only 15.7 percent of renter households in the above moderate income category.

Within the Truckee North Tahoe Study Area, the proportion of households in the lower-income categories (i.e., extremely low-, very low-, and low-income) that reported experiencing excessive or severe housing cost burdens was significantly higher, compared to households in the moderate- and above moderate income categories. Renter households among the lower-income categories were slightly more likely to overpay for housing, as were owner households in the moderate- and above moderate income categories. These trends generally coincide with the housing cost burden data reported for the Comparison Counties (see Table 20).

Table 19: Housing Cost Burden by Income Category, Truckee North Tahoe Study Area, 2008-2012 (a)

	All Income Levels		Income Category (b): Extremely Low-Income (≤ 30% of HAMFI)		Very Low-Income (> 30% ≤ 50% of HAMFI)		Low-Income (> 50% ≤ 80% of HAMFI)		Moderate income (> 80% ≤ 120% of HAMFI)		Above Moderate (> 120% of HAMFI)	
Owner Households	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
With ≤ 30% Housing Cost Burden	4,835	53.8%	60	10.9%	211	32.6%	382	29.8%	573	42.0%	3,609	70.3%
With > 30%, but ≤ 50% Housing Cost Burden	1,989	22.1%	20	3.6%	166	25.6%	243	19.0%	307	22.5%	1,253	24.4%
With > 50% Housing Cost Burden	2,103	23.4%	420	75.7%	271	41.9%	656	51.2%	483	35.4%	273	5.3%
Not Computed (No or Negative Income)	54	0.6%	54	9.8%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Subtotal, Owner Households (c)	**8,981**	**100%**	**554**	**100%**	**648**	**100%**	**1,280**	**100%**	**1,364**	**100%**	**5,135**	**100%**
Renter Households												
With ≤ 30% Housing Cost Burden	1,878	42.6%	99	12.4%	30	4.2%	346	39.4%	647	58.3%	755	84.3%
With > 30%, but ≤ 50% Housing Cost Burden	1,090	24.8%	20	2.5%	184	25.7%	359	40.9%	387	34.9%	141	15.7%
With > 50% Housing Cost Burden	1,392	31.6%	641	79.7%	502	70.1%	174	19.7%	75	6.8%	0	0.0%
Not Computed (No or Negative Income)	44	1.0%	44	5.5%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Subtotal, Renter Households (c)	**4,404**	**100%**	**804**	**100%**	**716**	**100%**	**880**	**100%**	**1,109**	**100%**	**896**	**100%**
All Households												
With ≤ 30% Housing Cost Burden	6,713	50.2%	160	11.8%	241	17.7%	728	33.7%	1,220	49.4%	4,364	72.4%
With > 30%, but ≤ 50% Housing Cost Burden	3,080	23.0%	40	3.0%	349	25.6%	602	27.9%	694	28.1%	1,394	23.1%
With > 50% Housing Cost Burden	3,494	26.1%	1,060	78.0%	773	56.7%	829	38.4%	558	22.6%	273	4.5%
Not Computed (No or Negative Income)	98	0.7%	98	7.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total, All Households (c)	**13,385**	**100%**	**1,359**	**100%**	**1,364**	**100%**	**2,160**	**100%**	**2,472**	**100%**	**6,031**	**100%**

Notes:
(a) The Truckee North Tahoe Study Area is defined based on 2010 Census Tracts. For a complete listing of the included Census Tracts, please refer to Appendix A.
(b) CHAS data reflect HUD-defined household income limits.
(c) Figures may not sum to totals due to rounding.

Sources: HUD, 2008-2012 CHAS, 2016; BAE, 2016.

Table 20: Housing Cost Burden by Income Category, Comparison Counties, 2008-2012 (a)

	All Income Levels		Income Category (b): Extremely Low-Income (≤ 30% of HAMFI)		Very Low-Income (> 30% ≤ 50% of HAMFI)		Low-Income (> 50% ≤ 80% of HAMFI)		Moderate income (> 80% ≤ 120% of HAMFI)		Above Moderate (> 120% of HAMFI)	
Owner Households	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
With ≤ 30% Housing Cost Burden	75,177	60.4%	620	9.7%	2,515	31.2%	5,766	39.6%	10,171	49.0%	56,106	75.2%
With > 30%, but ≤ 50% Housing Cost Burden	28,438	22.9%	860	13.5%	1,930	24.0%	3,435	23.6%	6,731	32.4%	15,482	20.7%
With > 50% Housing Cost Burden	19,997	16.1%	4,100	64.4%	3,605	44.8%	5,361	36.8%	3,865	18.6%	3,065	4.1%
Not Computed (No or Negative Income)	785	0.6%	785	12.3%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Subtotal, Owner Households (c)	**124,397**	**100%**	**6,366**	**100%**	**8,051**	**100%**	**14,561**	**100%**	**20,767**	**100%**	**74,652**	**100%**
Renter Households												
With ≤ 30% Housing Cost Burden	22,882	46.7%	900	10.8%	1,165	14.6%	2,750	28.0%	5,721	60.4%	12,346	92.1%
With > 30%, but ≤ 50% Housing Cost Burden	12,906	26.3%	535	6.4%	2,775	34.9%	5,281	53.8%	3,360	35.5%	955	7.1%
With > 50% Housing Cost Burden	12,449	25.4%	6,171	73.7%	4,015	50.5%	1,780	18.1%	384	4.1%	99	0.7%
Not Computed (No or Negative Income)	765	1.6%	765	9.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Subtotal, Renter Households (c)	**49,003**	**100%**	**8,371**	**100%**	**7,956**	**100%**	**9,811**	**100%**	**9,465**	**100%**	**13,400**	**100%**
All Households												
With ≤ 30% Housing Cost Burden	98,060	56.6%	1,520	10.3%	3,680	23.0%	8,516	34.9%	15,892	52.6%	68,452	77.7%
With > 30%, but ≤ 50% Housing Cost Burden	41,344	23.8%	1,395	9.5%	4,705	29.4%	8,716	35.8%	10,091	33.4%	16,437	18.7%
With > 50% Housing Cost Burden	32,446	18.7%	10,271	69.7%	7,621	47.6%	7,141	29.3%	4,249	14.1%	3,164	3.6%
Not Computed (No or Negative Income)	1,550	0.9%	1,550	10.5%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total, All Households (c)	**173,400**	**100%**	**14,736**	**100%**	**16,007**	**100%**	**24,372**	**100%**	**30,232**	**100%**	**88,053**	**100%**

Notes:
(a) The Comparison Counties include both Placer County and Nevada County in California.
(b) CHAS data reflect HUD-defined household income limits.
(c) Figures may not sum to totals due to rounding.

Sources: HUD, 2008-2012 CHAS, 2016; BAE, 2016.

HOUSING MARKET CONDITIONS

This section assesses the current housing market conditions in the Truckee North Tahoe Study Area, including both the for-sale and rental housing markets. This information is crucial for evaluating the ability of the existing private housing market to meet the housing needs of workforce households throughout the region. The for-sale housing prices reported here reflect single-family and condominium units sold within the Study Area between June 2015 and November 2015. Rental rates for multifamily and single-family housing units were identified through a review of available online and print rental listings, as well as a telephone survey of property management companies and representative housing complexes. An effort was made to report rates from different portions of the Truckee North Tahoe region, though the ability to report rates for certain areas was constrained by the availability of data. Affordable purchase prices and rental rates are reported based on the 2016 income limits for Placer and Nevada Counties published by HCD.

For-Sale Housing Prices

Table 21 reports both the average and median sale prices for single-family homes sold in the Truckee North Tahoe Study Area over a six-month period ending in November of 2015.[13] According to ListSource, a private real estate transactions data vendor, there were 565 home sales in the Truckee North Tahoe Study Area during this period, with an average sales price of $713,704 and an average size of 1,942 square feet, which translates to an average price per square foot of $357. The median sales price was lower at $538,000, with a median unit size of 1,745 square feet, which equals a median price per square foot of $320. The average lot size was nearly 24,900 square feet, or just under 0.6 of an acre, while the median was closer to 12,600 square feet, or about 0.3 of an acre.

Broken down between Placer and Nevada counties, the data indicate that more home sales occurred in Nevada County, with 289 total sales, than in Placer County, with 253 total sales. Home sales in Nevada County were somewhat less expensive, with a median sales price of $523,000, compared to $564,000 in Placer County. However, the median living area was larger for sales that occurred in Nevada County, at 1,853 square feet, compared to 1,700 square feet in Placer County. The median price per square foot reflects these trends, with a value of $297 in Nevada County and $368 in Placer County.

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[13] In statistics, an average is equal to the sum of a series of numbers, divided by the number of values in the series. For example, the average of the series [10, 30, 40] is equal to the sum of the values (i.e., 80), divided by the number of values in the series (i.e., 3). The resulting average is 26. The median is defined as the middle number in a series. Using the same example, the median is equal to 30, which is the third number in the series.

As they relate to the sales price data reported in this section, the average is often skewed upwards due to the presence of a small number of sales at the very highest price points (e.g., multi-million dollar homes). The median, therefore, represents a truer metric of pricing levels, since it is less likely to be skewed significantly upwards due to a small number of high priced sales.

The Town of Truckee accounted for all of the home sales that occurred in Nevada County, with a total of 289 home sales. Home sales in Truckee showed a median value of $523,000 with a median living area of 1,853 square feet. These values translate to a median price per square foot of $297. By comparison, homes sold in the community of Martis Camp, which is located just south of the Town's boundary, in Placer County, were larger in size and much more expensive than those sold within the Town, with a median living area of 2,942 square feet and a median sales price exceeding $1.1 million, which equaled a median price per square foot of $402.

There were a total of 146 home sales in communities located on the north shore of Lake Tahoe in Placer County, including 32 in Carnelian Bay, 27 in Kings Beach, 71 homes in Tahoe City, and 16 in Tahoe Vista. Sale prices along the North Shore were lowest in Kings Beach, with a median of $388,100, and highest in Tahoe City, with a median of $575,000. Unit sizes also varied significantly from a median of 1,398 in Kings Beach to a median of 2,048 in Tahoe Vista. On a per square foot basis, the median price ranged from a low of $291 in Kings Beach to a high of $367 in Carnelian Bay.

On the west shore, 35 sales occurred in Tahoma and 17 sales occurred in Homewood. Home sales in Tahoma showed a median value of $529,500 and a median living area of 1,477 square feet. In Homewood, homes were priced above the median for the North Tahoe Region at $620,000, and had a median square footage of 1,522. In terms of price per square foot, Tahoma saw a median value of $327, while the median was $380 in Homewood.

There were a total of 14 home sales in the communities of Olympic Valley and Alpine Meadows along Highway 89. In Olympic Valley, 6 home sales generated a median sales price of $1,115,000 and a median living area of 2,581 square feet, with a median price per square foot of $428. Alpine Meadows, on the other hand, saw a median home sale price of $575,000 and a median living area of 1,636 square feet from a total of 8 transactions. Alpine Meadows' sales translated into a somewhat lower median price per square foot of $374. Notably, home sale prices in Alpine Meadows, though far lower compared to Olympic Valley, were still notably higher the countywide and region wide values.

With 19 total sales, the community of Ice Lake on Donner Summit showed a median sales value of $589,000 and a median living area of 1,480 square feet. Price per square foot values in the Ice Lake area were notably lower than the county and region wide values with an average of $373 and a median of $357. Ice Lake was the only community on Donner Summit that had any recorded home sales during the June to November period.

Table 22 reports average and median sales prices for condominium units sold in the Truckee North Tahoe Study Area over a six-month period ending in November of 2015. According to ListSource, there were 163 condominium sales in the Truckee North Tahoe Study Area during this period, with an average sale price of $472,290 and an average size of 1,199 square feet. The median sale price was lower at $354,000, with a median unit size of 1,151 square feet. The average price per square foot was $397, compared to a median of $298.

Overall, the majority of condominium sales that occurred in the study area occurred in Placer County, with 115 total condominium sales, compared to 48 in Nevada County. Sales in Nevada County were less expensive, with a median sales price of $330,000, compared to $371,500 in Placer County. The median price per square foot was far higher in Placer County, at $355 per square foot, compared to Nevada County, at $270 per square foot.

With a total of 48 condominium sales, the Town of Truckee accounted for all of the condominium sales in Nevada County and nearly 30.0 percent of all the condominium sales in the Truckee North Tahoe Study Area. The median sales price for condominium units in Truckee was $330,000, which was significantly less than the median sale price for condominiums in the Truckee North Tahoe Study Area as a whole. Sales in Truckee subsequently had a median price per square foot that was also significantly below the region wide value at $270.

Unit sales in Placer County were priced higher than in Nevada County, and the Truckee North Tahoe Study Area more generally, with a median price of $371,500 and a median price per square foot of $355. Tahoe City, Martis Camp, and Kings Beach accounted for a majority of the condominium sales in Placer County, with a total of 74 sales. The median sales prices in these communities were $425,500, $348,550, and $229,000, respectively. The median sales price per square foot in Kings Beach was notably lower than what could be expected in the Truckee North Tahoe Study Area, at $161. Condominium sales in Tahoe Vista were priced on the lower end for Placer County and the Truckee North Tahoe Study Area, with a median of only $93,000 and a median living area of 384 square feet. With only three sales, Carnelian Bay had a median sales value of $430,000 and a median living area of 1,381 square feet, which equaled a median price per square foot of $289.

Homewood accounted for the only two condominium sales that occurred on the west shore. With a median sales price of $2.9 million and a median living area of 3,869 square feet, condominiums in Homewood sold at a median price of $758 per square foot.

Condominiums sold in Alpine Meadows and Olympic Valley were higher in value and smaller in size compared to the rest of the Study Area. Ten condominiums were sold in Alpine Meadows, at a median price of $437,000, or a median price per square foot of $819. Sixteen units were sold in Olympic Valley at a median price of $510,000 and a median price per square foot of $559. The median living area was 616 square feet in Alpine Meadows, compared to 983 square feet in Olympic Valley. Only one sale occurred in the Donner Summit area, in the Norden area, at a price of $1.5 million, or $563 per square foot.

Table 21: Single-Family Home Sales, Truckee North Tahoe Study Area, June to November, 2015

	Transactions		Lot Square Footage		Square Footage of Living Area		Price Per Square Foot of Living Area		Sales Price (b)		Average
Location (a)	Number	Percent	Average	Median	Average	Median	Average	Median	Average	Median	**Bedrooms**
Nevada County	289	51.2%	31,337	13,939	1,978	1,853	$297	$297	$590,168	$523,000	3.1
Truckee	*289*	*51.2%*	*31,337*	*13,939*	*1,978*	*1,853*	*$297*	*$297*	*$590,168*	*$523,000*	*3.1*
Placer County	253	44.8%	20,164	11,237	1,949	1,700	$423	$368	$876,087	$564,000	3.2
Alpine Meadows	*8*	*1.4%*	*12,622*	*11,160*	*1,651*	*1,636*	*$358*	*$374*	*$588,188*	*$575,000*	*3.4*
Carnelian Bay	*32*	*5.7%*	*13,042*	*12,467*	*1,640*	*1,519*	*$428*	*$367*	*$708,206*	*$525,000*	*3.0*
Homewood	*17*	*3.0%*	*14,711*	*10,977*	*1,624*	*1,522*	*$520*	*$389*	*$989,882*	*$620,000*	*3.3*
Kings Beach	*27*	*4.8%*	*8,857*	*6,760*	*1,472*	*1,398*	*$297*	*$291*	*$414,078*	*$388,100*	*3.0*
Olympic Valley	*6*	*1.1%*	*12,588*	*11,979*	*2,537*	*2,581*	*$401*	*$428*	*$1,044,500*	*$1,101,000*	*3.3*
Ice Lake (c)	*19*	*3.4%*	*9,701*	*8,712*	*1,699*	*1,480*	*$373*	*$357*	*$619,368*	*$589,000*	*3.3*
Tahoe City	*71*	*12.6%*	*19,694*	*10,945*	*1,907*	*1,712*	*$431*	*$380*	*$866,889*	*$575,000*	*3.4*
Tahoe Vista	*16*	*2.8%*	*10,220*	*11,267*	*1,815*	*2,048*	*$394*	*$320*	*$744,933*	*$520,000*	*3.1*
Tahoma (d)	*12*	*2.1%*	*12,311*	*10,783*	*1,803*	*1,719*	*$463*	*$368*	*$845,425*	*$565,000*	*3.3*
Martis Valley (e)	*45*	*8.0%*	*49,145*	*13,875*	*2,809*	*2,942*	*$481*	*$402*	*$1,445,875*	*$1,115,000*	*3.3*
El Dorado County	23	4.1%	6,833	6,241	1,437	1,370	$327	$324	$478,250	$474,500	2.9
Tahoma (f)	*23*	*4.1%*	*6,833*	*6,241*	*1,437*	*1,370*	*$327*	*$324*	*$478,250*	*$474,500*	*2.9*
Truckee North Tahoe Study Area	565	100%	24,894	12,632	1,942	1,745	$357	$320	$713,704	$538,000	3.2

Notes:
(a) Sales locations are approximate, based on reported street address.
(b) Excludes records with no reported sales price and those sales valued at less than $100,000.
(c) Includes home sales with a Soda Springs property address that are located in the Ice Lake/Serene Lake area.
(d) Includes home sales recorded in the Placer County portion of the Tahoma CDP.
(e) Includes home sales with a town of Truckee property address that are located south of the town boundary, east of Highway 89, west of Highway 267, and north of Northstar Resort.
(f) Includes home sales recorded in the El Dorado County portion of the Tahoma CDP.

Sources: CoreLogic, ListSource, 2016; BAE, 2016.

Table 22: Condominium Sales, Truckee North Tahoe Study Area, June to November, 2015

Location (a)	Transactions		Lot Square Footage		Square Footage of Living Area		Price Per Square Foot of Living Area		Sales Price (b)		Average Bedrooms
	Number	Percent	Average	Median	Average	Median	Average	Median	Average	Median	
Nevada County	48	29.4%	1,825	1,307	1,141	1,160	$276	$270	$320,043	$330,000	2.0
Truckee	*48*	*29.4%*	*1,825*	*1,307*	*1,141*	*1,160*	*$276*	*$270*	*$320,043*	*$330,000*	*2.0*
Placer County	115	70.6%	892	765	1,222	1,136	$443	$355	$533,723	$371,500	2.4
Alpine Meadows	*10*	*6.1%*	*674*	*669*	*705*	*616*	*$1,060*	*$819*	*$593,050*	*$437,000*	*1.6*
Carnelian Bay	*3*	*1.8%*	*945*	*917*	*1,491*	*1,381*	*$287*	*$289*	*$424,333*	*$430,000*	*2.3*
Homewood	*2*	*1.2%*	*2,664*	*2,664*	*3,869*	*3,869*	*$758*	*$758*	*$2,925,000*	*$2,925,000*	*4.0*
Kings Beach	*21*	*12.9%*	*682*	*622*	*1,370*	*1,566*	*$221*	*$161*	*$321,624*	*$229,000*	*2.5*
Norden	*1*	*0.6%*	*1,307*	*1,307*	*2,662*	*2,662*	*$563*	*$563*	*$1,500,000*	*$1,500,000*	*4.0*
Olympic Valley	*16*	*9.8%*	*1,051*	*908*	*1,063*	*983*	*$532*	*$559*	*$540,444*	*$510,000*	*1.9*
Tahoe City	*31*	*19.0%*	*933*	*824*	*1,424*	*1,408*	*$435*	*$366*	*$661,403*	*$425,500*	*2.8*
Tahoe Vista	*9*	*5.5%*	*763*	*395*	*525*	*384*	*$247*	*$234*	*$130,389*	*$93,000*	*1.3*
Martis Valley (c)	*22*	*13.5%*	*761*	*524*	*1,074*	*1,064*	*$385*	*$364*	*$448,823*	*$348,550*	*2.3*
Truckee North Tahoe Study Area	163	100%	1,119	871	1,199	1,151	$397	$298	$472,290	$354,000	2.3

Notes:
(a) Sales locations are approximate, based on reported street address.
(b) Excludes records with no reported sales price and those sales valued at less than $50,000.
(c) Includes home sales with a town of Truckee property address that are located south of the town boundary, east of Highway 89, west of Highway 267, and north of Northstar Resort.

Sources: CoreLogic, ListSource, 2016; BAE, 2016.

HCD Income Limits

Table 23 reports the 2016 income limits published by HCD that apply to households located in Placer County and Nevada County. The income limits are based on the adjusted median income which equals $76,100 for Placer County and $73,500 in Nevada County. The median income is presumed to apply to a four-person household. The income limits are also adjusted to account for greater cost associated with maintaining a larger household.

Affordable Home Purchase Prices

Similar to both HUD and HCD, this study assumes that a household can comfortably spend up to 30 percent of its gross household income on housing-related costs, without incurring excessive housing cost burden. For homeowners, this includes monthly principal and interest payments, mortgage insurance, property taxes, and property insurance costs. Mortgage assumptions are based on industry standard loan terms for first-time homebuyers, obtaining a mortgage insured by the FHA, and are as follows:

- Down Payment: 3.5 Percent
- Annual Interest Rate: 4.0 Percent
- Loan Term: 30 Years
- Prepaid Mortgage Insurance: 1.75 Percent of Home Value
- Annual Mortgage Insurance: 0.85 Percent of Loan Amount
- Annual Property Tax Rate: 1.25 Percent of Home Value
- Annual Hazard Insurance Rate: 0.42 Percent of Home Value

In the case of a typical three-person household living in Placer County, the sale price for a single-family residential unit that could be considered affordable ranges from only $78,100 for extremely low-income households, to $129,900 for very low-income households, $208,000 for low-income households, and $311,700 for moderate-income households. For a typical three-person household living in Nevada County, the affordable sales price for a single-family residential unit ranges from $78,600 for extremely low-income households, to $131,100 for very low-income households, $209,400 for low-income households, and $301,200 for moderate-income households.

Note that the income limits increase with family size. For example, a unit deemed affordable to a five-person household living in Placer County would range from only $107,900 for an extremely low-income household, to $155,000 for a very low-income household, $249,600 for a low-income household, and $374,000 for a moderate income household. For a unit deemed affordable to a five-person household living in Nevada County, the sales price ranges from $107,900 for an extremely low-income household, to $157,200 for a very low-income household, $251,300 for a low-income household, and $361,300 for a moderate-income household.

Table 23: HCD Income Limits, Nevada County and Placer County, Fiscal Year 2016

Placer County

Median Family Income: $76,100

Income Level	Number of People Per Household							
	One	Two	Three	Four	Five	Six	Seven	Eight
Extremely Low-Income (30% MFI)	$16,000	$18,300	$20,600	$24,300	$28,440	$32,580	$36,730	$40,890
Very Low-Income (50% MFI)	$26,650	$30,450	$34,250	$38,050	$41,100	$44,150	$47,200	$50,250
Low-Income (80% MFI)	$42,650	$48,750	$54,850	$60,900	$65,800	$70,650	$75,550	$80,400
Median Income (100% HAMFI)	$53,250	$60,900	$68,500	$76,100	$82,200	$88,300	$94,350	$100,450
Moderate Income (120% MFI)	$63,900	$73,050	$82,150	$91,300	$98,600	$105,900	$113,200	$120,500

Nevada County, CA

Median Family Income: $73,500

Income Level	Number of People Per Household							
	One	Two	Three	Four	Five	Six	Seven	Eight
Extremely Low-Income (30% MFI)	$16,100	$18,400	$20,700	$24,300	$28,440	$32,580	$36,730	$40,890
Very Low-Income (50% MFI)	$26,850	$30,700	$34,550	$38,350	$41,450	$44,500	$47,600	$50,650
Low-Income (80% MFI)	$42,950	$49,050	$55,200	$61,300	$66,250	$71,150	$76,050	$80,950
Median Income (100% HAMFI)	$51,450	$58,800	$66,150	$73,500	$79,400	$85,250	$91,150	$97,000
Moderate Income (120% MFI)	$61,750	$70,550	$79,400	$88,200	$95,250	$102,300	$109,350	$116,400

Sources: HCD, 2016; BAE, 2016.

Table 24: Affordable For-Sale Housing Prices, Placer County, 2016

2015 Income Limits (a)	Household Size 3-Persons	4-Persons	5-Persons
Extremely Low	$20,600	$24,300	$28,440
Very Low Income	$34,250	$38,050	$41,100
Low Income	$54,850	$60,900	$65,800
Moderate Income	$82,150	$91,300	$98,600

3-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$515	$353	$28	$81	$52	$515	$4,103	**$78,146**
Very Low Income	$856	$588	$46	$135	$87	$856	$6,819	**$129,889**
Low Income	$1,371	$941	$74	$217	$140	$1,371	$10,922	**$208,036**
Moderate Income	$2,054	$1,410	$110	$325	$209	$2,054	$16,363	**$311,674**

4-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$608	$417	$33	$96	$62	$608	$4,844	**$92,258**
Very Low Income	$951	$653	$51	$150	$97	$951	$7,576	**$144,305**
Low Income	$1,523	$1,045	$82	$241	$155	$1,523	$12,133	**$231,100**
Moderate Income	$2,283	$1,567	$123	$361	$233	$2,283	$18,187	**$346,423**

5-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$711	$488	$38	$112	$72	$711	$5,664	**$107,887**
Very Low Income	$1,028	$706	$55	$162	$105	$1,028	$8,189	**$155,989**
Low Income	$1,645	$1,129	$88	$260	$168	$1,645	$13,105	**$249,612**
Moderate Income	$2,465	$1,692	$132	$390	$251	$2,465	$19,637	**$374,039**

Ownership Cost Assumptions		
% of Income for Housing Costs	30%	of gross annual income
Down payment	3.5%	of home value
Annual interest rate	4.0%	fixed
Loan term	30	years
Upfront mortgage insurance	1.75%	of home value
Annual mortgage insurance	0.85%	of mortgage
Annual property tax rate	1.25%	of home value
Annual hazard insurance (b)	0.42%	of home value

Notes:

(a) Income limits are based on the HUD adjusted median family income of $76,100 ($2016).

(b) Based on an average of quoted insurance premiums from the Homeowners Premium Survey, published by the California Department of Insurance, for a home valued at $300,000.

Sources: HCD, 2016; California Department of Insurance, Homeowners Premium Survey, 2015; Bankrate.com, 2015; Wellsfargo.com, 2015; BAE, 2016.

Table 25: Affordable For-Sale Housing Prices, Nevada County, 2016

2015 Income Limits (a)	Household Size 3-Persons	4-Persons	5-Persons
Extremely Low	$20,700	$24,300	$28,440
Very Low Income	$34,550	$38,350	$41,450
Low Income	$55,200	$61,300	$66,250
Moderate Income	$79,400	$88,200	$95,250

3-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$518	$356	$28	$82	$53	$518	$4,127	**$78,601**
Very Low Income	$864	$593	$46	$137	$88	$864	$6,883	**$131,103**
Low Income	$1,380	$947	$74	$218	$141	$1,380	$10,994	**$209,401**
Moderate Income	$1,985	$1,362	$107	$314	$202	$1,985	$15,813	**$301,204**

4-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$608	$417	$33	$96	$62	$608	$4,844	**$92,258**
Very Low Income	$959	$658	$51	$152	$98	$959	$7,640	**$145,519**
Low Income	$1,533	$1,052	$82	$242	$156	$1,533	$12,212	**$232,618**
Moderate Income	$2,205	$1,514	$118	$349	$225	$2,205	$17,566	**$334,587**

5-Person Household	Amount Avail. for Housing	Principal & Interest	Property Insurance	Property Taxes	Mortgage Insurance	Total Monthly Payment	Down-Payment	Affordable Home Price
Extremely Low	$711	$488	$38	$112	$72	$711	$5,664	**$107,887**
Very Low Income	$1,036	$711	$56	$164	$106	$1,036	$8,253	**$157,203**
Low Income	$1,656	$1,137	$89	$262	$169	$1,656	$13,192	**$251,282**
Moderate Income	$2,381	$1,634	$128	$376	$242	$2,381	$18,968	**$361,293**

Ownership Cost Assumptions		
% of Income for Housing Costs	30%	of gross annual income
Down payment	3.5%	of home value
Annual interest rate	4.0%	fixed
Loan term	30	years
Upfront mortgage insurance	1.75%	of home value
Annual mortgage insurance	0.85%	of mortgage
Annual property tax rate	1.25%	of home value
Annual hazard insurance (b)	0.42%	of home value

Notes:

(a) Income limits are based on the HUD adjusted median family income of $73,500 ($2016).

(b) Based on an average of quoted insurance premiums from the Homeowners Premium Survey, published by the California Department of Insurance, for a home valued at $300,000.

Sources: HCD, 2016; California Department of Insurance, Homeowners Premium Survey, 2015; Bankrate.com, 2015; Wellsfargo.com, 2015; BAE, 2016.

Based on a comparison with the median sales prices reported in Table 21 and Table 22, it is clear that only above moderate-income households would be able to afford a median priced for-sale homes in most North Tahoe communities, without exceeding the 30 percent cost burden. For example, a five-person moderate-income household living in Nevada County could reasonably afford to pay up to $361,300 to purchase a home, while a five-person moderate-income household living in Placer County could reasonably afford to pay up to $374,000. Yet these values are significantly lower than the median sale price of $538,000 for a single-family homes in the Truckee North Tahoe Study Area. While they are roughly aligned with what would be required to purchase a condominium unit priced at the region wide median of $354,000, it is important to note that the income limits represent the maximum that could be reasonably considered affordable. Therefore, moderate income households at the lower-end of the moderate-income range, or that are also burdened with other obligations, such as child care costs or student loan debt, may have difficulty affording for-sale housing in the Study Area, regardless of unit type.

Rental Housing Costs and Affordability

Market-Rate Housing Rental Rates

The rental housing market in the North Tahoe Region is composed of a limited number of multifamily housing complexes, as well as single-family homes that are privately owned and rented out by property management companies or using sharing-economy websites like VRBO and Airbnb.

Table 26 provides information for an assortment of multifamily apartment complexes located throughout the Truckee North Tahoe Study Area. BAE collected detailed information on unit characteristics for four apartment complexes with market-rate units in the Truckee North Tahoe Study Area which offer a total of 139 units. All of the currently renting multifamily housing units in the Study Area, with the exception of those offered at Sawmill Heights, are concentrated in the Town of Truckee. These units ranged in size from studios to three-bedroom apartments. The units offered at Sawmill Heights, near Northstar, range from studio to four-bedroom units. Overall, studios range in size from 350 to 400 square feet and are priced between $950 and $1,200 per month. Only one complex contained one-bedroom units, which are 650 square feet in size and are priced at $1,000 per month. Two-bedroom units range in size from 550 to 1,100 square feet and are priced between $1,175 and $1,500 per month. Three-bedroom units range in size from 996 to 1,075 square feet and are priced between $1,300 and $1,450 per month. The four-bedroom units at Sawmill Heights average around 996 square feet in size and are priced between $1,500 and $1,550. On a square foot basis, units in the selected apartment complexes had asking rents that range from $1.18 to $3.00 per square foot.

Table 26: Select Apartment Rental Rates, Truckee North Tahoe Study Area, 2015

Complex Name	Address	City	State	Number of Units	Beds	Baths	Sq. Ft	Rent/ Month	Rent/ Sq. Ft	Complex Type
Truckee										
The Aspens of Truckee	10130 Donner Trail Rd	Truckee	CA	28	1	1	650	$1,000	$1.54	Market Rate
					2	2	1,100	$1,300	$1.18	Market Rate
Evergreen Apartments	10296 Jeffrey Pine Rd	Truckee	CA	14	Studio	1	400	$950-$1,200	$2.38-$3.00	Market Rate
					2	1	850	$1,300-$1,500	$1.53-$1.76	Market Rate
Sierra Village	10081 Martis Valley Rd	Truckee	CA	13	2	1	900	$1,175	$1.31	Mixed Income
					3	2	1,075	$1,300	$1.21	Mixed Income
Saw mill Heights	7646 Highlands View Rd	Truckee	CA	84	Studio	1	350	$950-$1,000	$2.71-$2.86	Mixed Income
					2	1	550	$1,225-$1,275	$2.23-$2.32	Mixed Income
					3	2	996	$1,400-$1,450	$1.41-$1.46	Mixed Income
					4	2	996	$1,500-$1,550	$1.51-$1.56	Mixed Income

Sources: Property Ow ners and Managers, 2015; Online Apartment Listings, 2015; BAE, 2015.

Table 27: Select Private Home Rentals, Truckee North Tahoe Study Area, 2015 (Page 1 of 2)

Address	City/State	State	Beds	Baths	Sq. Ft.	Rent/ Month	Rent/ Sq. Ft.	Unit Type
13590 Donner Pass Rd.	Truckee	CA	0	1	500	$750	$1.50	Apartment
5769 Zimba Court	Carnelian Bay	CA	0	1	350	$800	$2.29	Apartment
5062 Olive St.	Carnelian Bay	CA	0	1	n.a.	$800	n.a.	Apartment
16159 Lancaster Place	Truckee	CA	0	1	375	$850	$2.27	Single-Family
10939 Industrial Way	Truckee	CA	0	1	450	$870	$1.93	Apartment
2225 West Lake Blvd. #5	Tahoe City	CA	0	1	n.a.	$895	n.a.	Single-Family
4375 Beaumont Rd # 2	Carnelian Bay	CA	0	1	500	$1,000	$2.00	Single-Family
Trout at Coon	Kings Beach	CA	1	1	n.a.	$925	n.a.	Duplex
6123 N. Lake Blvd	Carnelian Bay	CA	1	1	n.a.	$1,100	n.a.	Second Unit
8836 Brook Ave.	Kings Beach	CA	1	1	n.a.	$1,100	n.a.	Apartment
8261 Golden Ave	Kings Beach	CA	1	1	650	$1,250	$1.92	Single-Family
Granlibakken Rd.	Tahoe City	CA	1	2	800	$1,275	$1.59	Condominium
3180 Aspen Grove	Truckee	CA	1	1	800	$1,300	$1.63	Condominium
7600 N Lake Blvd	Tahoe Vista	CA	1	1	800	$1,350	$1.69	Condominium
13045 Donner Pass Rd	Truckee	CA	1	1	1,000	$1,500	$1.50	Apartment
8651 Trout St.	Kings Beach	CA	2	1	n.a.	$1,000	n.a.	Apartment
399 Lewis Ave	Tahoma	CA	2	1	n.a.	$1,100	n.a.	Single-Family
12804 Northwoods Blvd	Truckee	CA	2	1.5	n.a.	$1,100	n.a.	Condominium
51892 Tamarack Crescent	Kingvale	CA	2	1.5	1,116	$1,195	$1.07	Single-Family
48755 Hampshire Rocks Rd.	Soda Springs	CA	2	1.5	1,200	$1,200	$1.00	Single-Family
560 Village Rd	Tahoe City	CA	2	1.5	n.a.	$1,290	n.a.	Townhouse
Tahoe Woods Boulevard	Tahoe City	CA	2	1.5	1,000	$1,300	$1.30	Townhouse
11639 Snowpeak Way	Truckee	CA	2	1.5	n.a.	$1,350	n.a.	Condominium
1395 N Lake Blvd	Tahoe City	CA	2	1.5	n.a.	$1,450	n.a.	Apartment
400 Squaw Creek Rd.	Olympic Valley	CA	2	2	1,088	$1,550	$1.42	Condominium
Chipmunk Street	Kings Beach	CA	2	2	1,184	$1,700	$1.44	Single-Family
13019 Northwoods Blvd # 4	Truckee	CA	2	2	980	$1,750	$1.79	Condominium
11978 Snowpeak Way	Truckee	CA	2	1.5	1,300	$1,900	$1.46	Single-Family
10863 Cinnabar Way Apt 7	Truckee	CA	2	2	n.a.	$1,950	n.a.	Condominium
10315 Stoneridge Dr #B	Truckee	CA	2	1	1,879	$2,250	$1.20	Townhouse
7212 Third Ave	Tahoma	CA	3	2	n.a.	$1,300	n.a.	Single-Family
Commonwealth Dr.	Kings Beach	CA	3	2	1,556	$1,695	$1.09	Condominium
13459 Davos Dr.	Truckee	CA	3	2	1,520	$1,700	$1.12	Single-Family
Sitzmark Way	Truckee	CA	3	2	1,541	$1,750	$1.14	Single-Family
21926 Donner Pass Road	Soda Springs	CA	3	2	1,800	$1,800	$1.00	Single-Family
1001 Commonwealth Dr	Kings Beach	CA	3	2	1,422	$1,900	$1.34	Single-Family
15171 Berkshire Circle	Truckee	CA	3	2	1,500	$1,900	$1.27	Duplex
Manchester Dr at Dorchester Dr	Truckee	CA	3	2	1,200	$1,950	$1.63	Single-Family
414 Deer Ave.	Tahoma	CA	3	2	n.a.	$2,000	n.a.	Single-Family
7008 8th Street	Tahoma	CA	3	2	n.a.	$2,000	n.a.	Single-Family
11051 Lausanne Way	Truckee	CA	3	2	n.a.	$2,000	n.a.	Single-Family
8578 Golden Ave	Kings Beach	CA	3	2	1,445	$2,100	$1.45	Single-Family
Snow Crest at Alpine Meadows	Olympic Valley	CA	3	2	1,400	$2,100	$1.50	Single-Family

(Continued on next page)

Note:
(a) Units listed as private rentals are independently owned, but most often are leased through a property management company.

Sources: Property Owners and Managers, 2015; Online Apartment Listings, 2015; BAE, 2015.

Table 27: Select Private Home Rentals, Truckee North Tahoe Study Area, 2015 (Page 2 of 2)

Address	City/State	State	Beds	Baths	Sq. Ft.	Rent/ Month	Rent/ Sq. Ft.	Unit Type
321 Lake Ave.	Tahoe City	CA	3	2	n.a.	$2,100	n.a.	Single-Family
Northwoods Blvd at Viking	Truckee	CA	3	2	n.a.	$2,100	n.a.	Single-Family
10025 Nicolas Drive #B	Truckee	CA	3	3	1,870	$2,195	$1.17	Townhouse
4375 Beaumont Rd	Carnelian Bay	CA	3	2	1,900	$2,200	$1.16	Single-Family
Victoria Rd. at Uplands Rd.	Carnelian Bay	CA	3	2	1,600	$2,200	$1.38	Single-Family
Nevada St. at Center St.	Carnelian Bay	CA	3	3	1,975	$2,285	$1.16	Single-Family
Steelhead Avenue	Kings Beach	CA	3	2.5	n.a.	$2,300	n.a.	Single-Family
10185 Thomas Drive	Truckee	CA	3	2.5	2,000	$2,300	$1.15	Single-Family
13465 Northwoods Blvd	Truckee	CA	3	2	1,564	$2,400	$1.53	Single-Family
4190 N. Lake Blvd	Carnelian Bay	CA	3	2.5	n.a.	$2,450	n.a.	Single-Family
1630 Washoe Way	Tahoe City	CA	3	3	n.a.	$2,500	n.a.	Single-Family
417 Gray Avenue	Tahoma	CA	3	2	n.a.	$2,500	n.a.	Single-Family
Skislope Way at Snowpeak Way	Truckee	CA	3	2	1,650	$2,500	$1.52	Townhouse
Bonanza Dr at Virginia Dr	Tahoe City	CA	3	2	n.a.	$2,600	n.a.	Single-Family
Tiger Tail Rd. at Victor	Olympic Valley	CA	3	2	1,100	$2,700	$2.45	Duplex
12183 Nuthatch Ct	Truckee	CA	3	2	2,200	$2,700	$1.23	Single-Family
200 Woodhill Court	Tahoe City	CA	3	2	1,700	$2,850	$1.68	Single-Family
6615 Mckinney Ct	Homewood	CA	3	3.5	2,100	$3,000	$1.43	Single-Family
7251 8th Ave	Tahoma	CA	3	2.5	2,500	$3,500	$1.40	Single-Family
3101 Lake Forest Road	Tahoe City	CA	4	2	1,408	$1,725	$1.23	Condominium
Lake Forest Glen #79	Tahoe City	CA	4	2	n.a.	$1,800	n.a.	Condominium
2560 Lake Forest Rd # 62	Tahoe City	CA	4	3	1,536	$1,950	$1.27	Condominium
Pine Forest Rd. at Rainbow Rd.	Truckee	CA	4	2	1,845	$2,200	$1.19	Single-Family
5th Avenue	Tahoma	CA	4	2.5	2,273	$2,500	$1.10	Single-Family
Dodowah Rd at Agate Rd	Carnelian Bay	CA	4	3	2,000	$2,700	$1.35	Single-Family
455 Pineland Dr	Tahoe City	CA	4	2.5	2,140	$2,950	$1.38	Single-Family
100 Lassen Dr #68	Tahoe City	CA	4	3	1,979	$3,000	$1.52	Single-Family
10026 Nicolas Drive	Truckee	CA	4	4	2,359	$3,000	$1.27	Townhouse

Note:
(a) Units listed as private rentals are independently owned, but most often are leased through a property management company.

Sources: Property Owners and Managers, 2015; Online Apartment Listings, 2015; BAE, 2015.

Owing to the composition of the housing stock noted previously, which is dominated by single-family homes, single-family units comprise a significant portion of the Truckee North Tahoe Study Area rental housing supply. Table 27 reports detailed unit characteristics associated with 71 privately owned single-family housing units that were listed for-rent in the Truckee North Tahoe Study Area in December 2015. Of those, 24 were located within the Town of Truckee. The remaining units were located in Carnelian Bay (nine units), Homewood (one unit), Kings Beach (nine units), Kingvale (one unit), Olympic Valley (three units), Soda Springs (two units), Tahoe City (two units), Tahoe Vista (one unit), and Tahoma (seven units). A total of seven units were small studios, averaging around 435 square feet, with a median rental rate of $850 per month. Another eight units were listed as one-bedrooms, averaging 810 square feet and renting for a median of $1,260 per month. Two-bedroom units rented for a median of $1,350 per month, with a total of 15 units currently available at an average of 1,220 square feet. A total of 32 units were three-bedrooms, averaging around 1,690 square feet, with a median rental rate of around $2,200 per month. The nine largest units were four-bedrooms, averaging 1,940 square feet, renting for $2,500 per month. On a square foot basis, the selected single-family rentals featured asking rents that ranged from $1.00 to $2.45 per square foot.

Affordable Housing Rental Rates

For renter households, housing costs are assumed to include a monthly cash rent, as well as associated utility costs. For the purposes of this analysis, utility costs were derived based on the 2015 utility allowance published by Placer County for the Lake Tahoe area. Utility allowance estimates assume that all heating, cooking, and water heating is done using natural gas. Other electricity usage includes lighting, refrigeration, and other small appliances. The utility allowances also include costs for water, sewer, and trash collection.

Based on the current utility allowances, coupled with the HCD income limits discussed above, rental rates that are affordable to extremely low-income households in Placer County would range from $334 to $558 per month, depending on household composition and unit size. Rents that would be affordable to very low-income households range between $600 and $875 per month. Rents that would be affordable to low-income households range from $1,000 to $1,492 per month. Moderate-income households could reasonably afford monthly rents of $1,532 to $2,312. Reflecting the higher median income in Nevada County, the rents deemed affordable to extremely low-income households are somewhat higher than in Placer County, ranging from $346 to $568 per month, depending on household composition and unit size. Rents affordable to very low-income households range from $614 and $893 per month. Rents that would be affordable to low-income households range from $1,017 to $1,513 per month. Moderate-income households could reasonably afford monthly rents of $1,487 to $2,238.

Table 28: Affordable Rental Rates, Nevada County, 2016

Income Category (a)	Income Limits/Household Size							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Median Family Income: $67,500								
Extremely Low Income	$16,100	$18,400	$20,700	$24,300	$28,440	$32,580	$36,730	$40,890
Very Low Income	$26,850	$30,700	$34,550	$38,350	$41,450	$44,500	$47,600	$50,650
Low Income	$42,950	$49,050	$55,200	$61,300	$66,250	$71,150	$76,050	$80,950
Moderate Income	$61,750	$70,550	$79,400	$88,200	$95,250	$102,300	$109,350	$116,400

Affordable Rents (b)	Unit Size					
	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
Extremely Low Income						
1-Person	$346	$335				
2-Person		$392	$375			
3-Person			$433	$413		
4-Person				$503	$484	
5-Person					$587	$568
Very Low Income						
1-Person	$614	$603				
2-Person		$700	$683			
3-Person			$779	$759		
4-Person				$854	$835	
5-Person					$912	$893
Low Income						
1-Person	$1,017	$1,006				
2-Person		$1,158	$1,141			
3-Person			$1,295	$1,275		
4-Person				$1,428	$1,409	
5-Person					$1,532	$1,513
Moderate Income						
1-Person	$1,487	$1,476				
2-Person		$1,696	$1,679			
3-Person			$1,900	$1,880		
4-Person				$2,100	$2,081	
5-Person					$2,257	$2,238
Included Utilities (c)	$110	$110	$116	$121	$127	$133

Notes:
(a) Income limits are based on the HUD adjusted median family income of $73,500 ($2016).
(b) Affordable rents equal to 30 percent of gross monthly income, minus a utility allowance. The utility allowance is derived based on the 2015 figures published by the Regional Housing Authority of Sutter and Nevada Counties. Utility allowance estimates assume that all heating, cooking, and water heating would be done using natural gas. Other electricity usage is also included, accounting for lighting, refrigeration, and small appliances.
(c) Included utilities represents costs normally included in rent, such as water, sewer and trash collection.

Sources: HCD, 2016; Regional Housing Authority of Sutter and Nevada Counties, 2015; BAE, 2016.

Table 29: Affordable Rental Rates, Placer County, 2016

Income Category (a)	Income Limits/Household Size 1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Median Family Income: $71,500								
Extremely Low Income	$16,000	$18,300	$20,600	$24,300	$28,440	$32,580	$36,730	$40,890
Very Low Income	$26,650	$30,450	$34,250	$38,050	$41,100	$44,150	$47,200	$50,250
Low Income	$42,650	$48,750	$54,850	$60,900	$65,800	$70,650	$75,550	$80,400
Moderate Income	$63,900	$73,050	$82,150	$91,300	$98,600	$105,900	$113,200	$120,500

Affordable Rents (b)	Unit Size Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
Extremely Low Income						
1-Person	$334	$324				
2-Person		$382	$362			
3-Person			$419	$400		
4-Person				$493	$475	
5-Person					$578	$558
Very Low Income						
1-Person	$600	$590				
2-Person		$685	$665			
3-Person			$760	$741		
4-Person				$836	$818	
5-Person					$895	$875
Low Income						
1-Person	$1,000	$990				
2-Person		$1,143	$1,123			
3-Person			$1,275	$1,256		
4-Person				$1,408	$1,390	
5-Person					$1,512	$1,492
Moderate Income						
1-Person	$1,532	$1,522				
2-Person		$1,750	$1,730			
3-Person			$1,958	$1,939		
4-Person				$2,168	$2,150	
5-Person					$2,332	$2,312
Included Utilities (c)	$64	$66	$71	$76	$80	$83

Notes:
(a) Income limits are based on the HCD adjusted median family income of $76,100 ($2016).
(b) Affordable rents equal to 30 percent of gross monthly income, minus a utility allow ance. The utility allow ance is derived based on the 2015 figures published by Placer County for the Lake Tahoe area. Utility allow ance estimates assume that all heating, cooking, and w ater heating w ould be done using natural gas. Other electricity usage is also included, accounting for lighting, refrigeration, and small appliances.
(c) Included utilities represents costs normally included in rent, such as w ater, sew er and trash collection.

Sources: HCD, 2016; Placer County, 2015; BAE, 2016.

With monthly rental rates of approximately $1,000 and up, as discussed below, the available multifamily rental housing is unlikely to be affordable to most extremely low- and very low-income households. The only units priced significantly below this level include six studio units located in Carnelian Bay, Truckee, and Tahoe City. The monthly asking rents for these units range from $750 to $895. At those rent levels, the units could be deemed affordable to larger very low-income households as well as most low-income households; however, occupancy by households with more than a single resident would lead to overcrowding. There were no housing units identified during BAE's research that could be considered affordable to smaller very low-income households or extremely low-income households of any size.

Investor Decisions on Long-Term Versus Short-Term Rental

In order to develop a better understanding of the economics and decision-making involved with use of investment properties for long-term rentals (i.e., available for the workforce) versus short-term rentals (i.e., oriented toward the visitor market, rather than full-time residents), BAE conducted interviews with realtors and property managers who are active in the Truckee North Tahoe region regarding the considerations that investors take into account when deciding whether to offer homes for long-term rental versus for short-term rental. These included personal, financial, and management considerations, as well as the types of properties and locations that make housing units attractive for one type of use versus the other.

The primary conclusion reached through this research was that the main consideration taken into account by a majority of property owners when deciding whether to lease a property on a long-term versus a short-term basis, is the frequency with which they want to use the property themselves. Interview participants described that most of the single-family rental units available within the Truckee North Tahoe regional market are owned by households who purchased the units as second homes and vacation properties. They intend to use the unit from time-to-time and view the rental process as a method for recovering some of the carrying costs associated with holding the property.

Property managers described three basic types of short-term leasing. These include the nightly-rentals, weekly rentals, and ski-leases (including both monthly or seasonal rentals). Households that intend to use the properties on a semi-regular basis will typically opt for nightly or weekly rental options, which do not tie-up the property for extended periods, giving the property owner more flexibility in terms of when they can use the property. Nightly and weekly rentals are also more common during certain peak holiday periods, such as during the winter holiday season, as well as certain spring and summertime weekends, such as Labor Day and the Fourth of July. During these periods, property owners can charge a significant premium due to high demand. For many property owners, the ability to charge prime rates during the peak holiday and vacation seasons, with the ability to use the unit at-will during the remainder of the year, is an ideal scenario, by which they can off-set some of the costs of ownership, while still retaining the ability to use the property as a regular vacation home.

In those cases where a property owner does not prefer to use the unit during a particular season, or other life events prevents them from using the unit as originally intended, they may opt for a winter ski-lease type arrangement, or may lease the unit on a weekly or monthly basis during the peak summer season. Ski-lease arrangements typically span a two- to three-month period that coincides with the peak winter ski season. While seasonal leases are available during the summer months, they are considerably less common, with property owners typically opting for weekly rentals or long weekend rentals. Some of the advantages of leasing on a longer-term basis include lower administrative costs and a reduced need for the property owner to interact with the tenant or property management company (e.g., finding and approving new tenants, checking for damage, paying utility bills, etc.).

Long-term leases are reportedly attractive primarily to property owners who do not intend to use the unit themselves and who have less interest in managing the property on an on-going basis. In terms of financial returns, long-term leases are financially advantageous for property owners not interested in actively managing their property (e.g., constantly finding new tenants, adjusting rates to account for season and special events, etc.). On an annual average basis, property managers indicated that long-term leases provide better returns, compared to short-term rentals. While short-term rentals demand higher rates during peak seasons, many short-term rentals often remain vacant during the mid-week periods and during the shoulder seasons, meaning that lower quality units and those that are less actively managed are less likely to be generating financial returns.

As reported in Table 30, management fees for short-term rentals typically average around 25 percent of the nightly- or weekly- rental rate. For units leased using online rental services, like VRBO and AirBnB, the typical fee is only around eight percent. Winter snow removal costs typically equal around $500 per unit, while cleaning costs typically range from $90 for a studio to as much as $500 for a larger home each time the unit is rented. Snow removal is typically paid by the property owner (except under ski-lease arrangements), while cleaning costs are typically passed on to the renter. Short-term rentals of less than 30 days are also subject to Transient Occupancy Taxes (TOT), which must be collected from the occupant by the property owner or manager and remitted to the jurisdiction.[14] Longer-term rentals, by comparison, are charged management fees that are roughly half of those charged to short-term rentals. Snow removal costs, cleaning fees, and utilities costs are also typically passed on to the tenant. Assuming an average long-term rental rate for two- and three-bedroom units, a property owner would need to receive a nightly rental rate of $325 per night, eight nights per month, in order to generate the same revenue as they might otherwise collect through a longer-term (i.e.,

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[14] Within the "North Lake Tahoe Transient Occupancy Tax Area" in Placer County, the TOT rate is 10 percent, compared to only eight percent elsewhere in the county. Within the Town of Truckee, the base TOT rate is 10 percent. The Town recently added an additional two percent assessment, which is allocated to the Truckee Tourism Business Improvement District (TTBID), a benefit assessment district that funds marketing and sales promotion.

monthly) lease.[15] This assumes that the property owner goes through a traditional property management company. If the property owner leases the unit through one of the online platforms, the property owner would need to receive a nightly rate of around $250, in order to generate the same revenue as a longer-term rental. Property managers indicated that nightly rates typically range, depending on the season, from around $225 to $325 per night for an average three-bedroom unit.

Table 30: Short-Term vs. Long-Term Rental Fee Structure

	Long-Term Lease			Short-Term Lease		
Fee	Amount		Paid By	Amount		Paid By
Management Fees	12.5%	of rental income	Owner	25%	of rental income	Owner
Snow Plow	$500	per season	Tenant	$500	per season	Owner
Cable/Internet/Phone	$130	per month	Tenant	$130	per month	Owner
Cleaning	$200	as needed	Tenant	$200	per visitor	Tenant
Utilities	$150	per month	Tenant	$5	per night	Owner
Transient Occupancy Tax	n.a.		n.a.	10%-12%	of rental income	Tenant
VRBO/AirBNB Fees	n.a.		n.a.	8%	of rental & fees	Tenant

Sources: Various Property Management Companies, Telephone Communication, 2016; BAE, 2016.

Assessing the Extent of the Short-Term Rental Market

In order to better understand the proportion of the housing stock utilized for short-term occupancy (i.e., less than 30 consecutive days), BAE requested Transient Occupancy Tax (TOT) records from Nevada County, Placer County, and the Town of Truckee. Though data were unavailable for the Town of Truckee and Nevada County, Placer County was able to provide data on available unit days by unit type for communities throughout the region. Note that the data reported in Table 31 likely underestimate the extent of the short-term rental market, due to units being rented out without registering with Placer County. Based on the data, however, housing units located within the Placer County portion of the Study Area registered for transient use (i.e., units that are registered to collect TOT, excluding hotels, motels, bed and breakfasts, and condo-tels or condominium projects that are operated like hotels with a registration desk) accounted for approximately 892,618 available unit days during the 2014-2015 Fiscal Year. One unit-day is equivalent to one housing unit being available for occupancy for one day. Not all units are available every day of the year and many are only available for short periods. Assuming that all units are available for use 365 days per year, this would equal a minimum of 2,446 housing units that are held vacant for transient occupancy. In reality, the total is likely much higher as units are often only made available for short periods, or a portion of the year when property owners are less likely to want to use the unit themselves. On average, units went unoccupied approximately 71.7 percent of the time, with an occupancy rate of 28.3 percent.

[15] Based on an average listing rate of $1,850 for the average two-bedroom private rental, which would generate approximately $1,619 in net revenue to the property owner.

Table 31: Transient Occupancy Unit Days by Sub-Area, Placer County, 2014-2015 Fiscal Year

	2014-2015 Fiscal Year (a)			
Sub-Area	Unit/Days Available (b)	Unit/Days Occupied (c)	Percent Occupied	**Minimum Unit Total** (d)
Alpine Meadows	19,034	4,653	24.4%	52
Carnelian Bay	76,315	20,263	26.6%	209
Donner Summit Area	23,704	6,130	25.9%	65
Kings Beach	91,414	19,018	20.8%	250
Martis Valley	6,312	1,417	22.4%	17
Northstar	149,851	39,368	26.3%	411
Squaw Valley	149,843	55,694	37.2%	411
Tahoe City	103,062	26,361	25.6%	282
Tahoe Vista	85,523	23,787	27.8%	234
West Shore	183,953	55,209	30.0%	504
Tahoe Miscellaneous	3,607	827	22.9%	10

Notes:
(a) The data include all units for which data were available, excluding hotel, motel, condo-tel, and bed and breakfast units.
(b) Represents the number of units multiplied by the number of days that each unit was available for occupancy of a transient basis (i.e., less than 30 consecutive days).
(c) Represents the number of units multiplied by the number of days that each unit was occupied on a transient basis (i.e., less than 30 days)
(d) Represents the minimum number of housing untis associated with the available room days. Figures are calculated assuming each unit is available for occupancy 365 days per year.

Sources: Placer County, Department of Administrative Services, 2015; BAE, 2016.

In terms of geographic distribution, the West Shore accounted for 20.6 percent of available unit days and 21.8 percent of occupied unit days, likely reflecting the lack of alternative accommodations in that area. Housing units located in the Northstar and Squaw Valley areas accounted for the next two largest concentrations of available unit days, representing around 16.8 percent respectively. Occupancy was slightly higher in Squaw Valley, however, accounting for 22 percent of the occupied unit days, compared to 15.6 percent in the Northstar area. Interestingly, Alpine Meadows and Donner summit accounted for relatively small proportions of both the available unit days and occupied unit days. The proportion of available unit days is considerably lower in most communities throughout the region. For example, the North Shore communities of Carnelian Bay, Kings Beach, Tahoe City, or Tahoe Vista accounted for a combined total of 39.9 percent of all available unit days, with only Tahoe City exceeding 10 percent of the total. With lower occupancy rates compared to the West Shore and the ski resort areas, these communities accounted for roughly 35.4 percent of all occupied unit days. Alpine Meadows accounted for only 2.1 percent of all available unit days, while Donner Summit accounted for only 2.7 percent. These communities commensurately accounted for only 1.8 percent and 2.4 percent of all occupied unit days. Unit located in Martis Valley accounted for the fewest available and occupied unit days at 0.7 and 0.6 percent, respectively.

Affordable and Workforce Housing Inventory

Table 32 provides an inventory of below-market rate housing within the Study Area, including information regarding the number of units by size (where available) and affordability levels. To compile the inventory, BAE contacted the agencies and property managers responsible for managing each complex. BAE conducted interviews with the property managers to identify occupancy patterns, tenant characteristics, and other characteristics to provide a better understanding of how well the existing supply matches up with regional housing needs.

As of January 2016, there were eight rental housing complexes offering a total of 474 below-market rate units in the Truckee North Tahoe Study Area. All but one of the existing below-market rate housing projects are located in Truckee. Kings Beach Housing Now, a Domus Development project, is located on the north shore of Lake Tahoe. Most of the existing complexes offer one-, two-, and three-bedroom units, with some four-bedroom units. There are very few studio units available. The majority of the complexes contacted are supported by Low-Income Housing Tax Credit (LIHTC) and/or HOME Partnership Program funding and are restricted to very low- and low-income households. Only one of the existing properties with below market rate units offers a mixed-income environment. Twelve units in the Sawmill Heights complex are restricted to low-income households based on requirements associated with a Placer County Housing Trust Fund loan agreement, with the remaining units rented at market rates. One complex, Truckee Donner Senior, is reserved for occupancy by persons aged 62 and over and by persons with disabilities, regardless of age.

All of the subsidized affordable rental complexes contacted for this research identified strong demand for subsidized units in the Truckee North Tahoe region. The seven surveyed complexes all reported zero vacancies and waiting lists of 60 households or more.[16] Frishman Hollow, Henness Flats, and Kings Beach Housing Now reported waiting lists of more than 100 households, with typical wait times between six months and two years. The majority of demand for below-market rate housing is reportedly coming from area employees, many of whom are seasonal workers or are employed year-round in the accommodations and food service industry at casinos and hotels, or in construction and maintenance occupations. Property managers indicated that market demand for affordable units is deepest for one- and two-bedroom units. However, there is still strong demand for affordable three- and four-bedroom units, as indicated by the wait list times at complexes that offer these larger unit sizes. For example, the longest wait times (up to 4-5 years) were seen at River View Homes, an affordable complex that offers three- and four- bedroom townhouses to very low- and low-income families. The property manager of River View Homes reported that the complex has fewer move outs compared to other affordable projects in the area because the town homes are generally larger, and are able to provide families with more space than apartment units.

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[16] Note that many of the waitlists contain duplicate names (i.e., households are on multiple waitlists). Therefore, the number of unique households that are in search of subsidized housing is something less than what is indicated by the waitlist totals. However, due to low turnover and the small number of below market rate units, the reported wait times remain quite long, limiting access to below market rate housing for those in need.

Table 32: Below Market Rate Rental Complexes, Truckee North Tahoe Study Area, 2015

Complex Name	Address	City/State	State	Number of Units	Beds	Baths	Level of Affordability
Kings Beach							
Kings Beach Housing Now	204 Chipmunk St.	Kings Beach	CA	6	0	1	Low-Income;
				34	1	1	Very-Low Income
				2	2	1	
				35	3	2	
Truckee							
Frishman Hollow	11026 Rue Ivy	Truckee	CA	16	2	1	Very-Low Income
				16	3	2	
Henness Flats	11929 Waters Way	Truckee	CA	36	2	1	Low-Income;
				56	3	2	Very-Low Income
River View Homes	11230 Village Way	Truckee	CA	17	3	2	Low-Income;
				21	4	2	Very-Low Income
Sawmill Heights (a)	7646 Highlands View Rd	Truckee	CA	12	0	1	Low-Income
					2	1	
					4	2	
Sierra Village	10081 Martis Valley Rd	Truckee	CA	6	2	1	Low-Income;
				45	3	2	Very-Low Income
				8	4	2	
Truckee Donner Senior	10040 Estates Dr	Truckee	CA	54	1	1	Low-Income;
				6	2	1	Very-Low Income
							Age 62 and Older
Truckee Pines	10100 Estates Dr	Truckee	CA	8	1	1	Low-Income;
				52	2	2	Very-Low Income
				32	3	2	
				12	4	2	

Note:
(a) Sawmill Heights is a mixed-income property containing 96 units, 12 of which are designated low-income. The distribution by number of bedrooms of the 12 units is unavailable.

Sources: Property Owners and Managers, 2015; Online Apartment Listings, 2015; BAE, 2015.

Anticipated Future Housing Capacity

The remainder of this section evaluates the reasonably foreseeable future capacity of the North Tahoe region to provide additional workforce housing units. This includes a review of currently planned and proposed residential development projects and discusses their respective characteristics. It also identifies the large commercial development projects that have incorporated workforce housing requirements, including the relevant provisions of the Martis Valley settlement. The section then reviews the characteristics of the various master plans and specific plans that are currently in place or under consideration within the region. The section then concludes with an evaluation of the remaining land that is available for future housing development within the North Tahoe region, based on a review of data available in the Nevada County, Placer County, and Town of Truckee Housing Elements.

Planned and Proposed Projects Inventory

In order to obtain listings of all of the currently planned and proposed residential development projects within the Study Area, BAE contacted staff for Nevada County, Placer County, and the Town of Truckee. BAE also collected information on projects involving large commercial developments that have incorporated workforce housing requirements. The purpose of this was to ascertain the total increase in the housing supply that may occur due to the development of projects already in the pipeline, as well as anticipated affordability levels.

Residential Development Projects

BAE's review of planned and proposed projects within the North Tahoe region identified twelve active residential developments, which are summarized in Table 33. The inventory includes a total of 10 projects which could produce up to 522 housing units, including 430 market-rate housing units and 92 income-restricted units. A total of seven projects are located within the Town of Truckee limits and will, upon completion, include up to 392 housing units. In Placer County, three market-rate ownership projects in Alpine Meadows and Olympic Valley are currently under review and would include up to 128 housing units. There are no residential projects planned or in the pipeline in the Nevada County portion of the Study Area. While it is not definitively known, it is likely that the majority of the housing units identified in the inventory will represent a larger single-family for-sale product type, with only limited production of smaller housing units, attached housing types, and rental housing units.

Table 33: Planned and Proposed Residential Development Projects, 2016

Name	Type	Number of Units	Anticipated Affordability	Status	Notes
The Rail House Donner Pass Road, Truckee	Condominiums	26	Market Rate	Under Review	Ground floor movie and performing arts theater w ith for-sale condominiums on floors tw o to four. Part of the Railyards Master Plan.
Truckee Artist Lofts Donner Pass Road, Truckee	Multifamily	77	Mixed Income	Under Review	Includes 11 market rate and 66 affordable (30%-60% AMI) loft units Part of the Railyards Master Plan.
Quality Automotive 11500 Donner Pass Road, Truckee	Apartments	2	Market Rate	Under Review	Includes tw o market rate units above a new auto-repair shop marketed to shop employees (not required w orkforce housing).
Canyon Springs Subdivision East Truckee	Single-Family	203	Mixed Income	Under Review	Includes up to 177 market rate single-family lots and 26 affordable lots (targeted income levels not specified) at 0.96 dw elling unis per acres.
Boulders (Phase IV) Deerfield Drive, Truckee	Condominiums	39	Market Rate	Approved	Final phase of the 211 unit condominium project.
Coyote Run II 0 Autumn Way, Truckee	Single-Family	3	Market Rate	Approved	Remaining 3 of 7 units in a small subdivision.
Spring Creek Subdivision Prosser Area, Truckee	Single-Family & Duplex	44	Market Rate	Approved	Remaining 44 of 66 approved units in single-family/duplex subdivision
Alpine Sierra Subdivision eastern Alpine Meadow s Rd.	Single-Family & Duplex	47	Market Rate	Under Review	Includes 47 residential units on approximately 45 acres adjacent to Alpine Meadow s resort area
Palisades at Squaw Creeks End Court, Olympic Valley	Single-Family & Duplex	63	Market Rate	Under Review	Includes 63 residential lots on 19.9-acre site.
Stanford Chalets 1980 Chalet Rd., Alpine Meadow s	Duplex	18	Market Rate	Under Review	Includes 18 Duplex residential units on an existing commercial site.

Sources: Nevada County, 2016; Placer County, 2016; Tow n of Truckee, 2016; BAE, 2016.

Town of Truckee

The Canyon Springs Subdivision is the largest project proposed in Truckee with 177 for-sale market rate single-family parcels and up to 26 deed-restricted single-family homes targeted to moderate-income households. The 284-acre subdivision is located on the Town's eastern boundary in an area designated as "Rural Residential" in Truckee's General Plan. Construction was originally expected to commence in summer 2016, but according to staff reports, the developer is working on a modified project proposal to be re-considered by the Planning Commission at an unknown future date. The market-rate single-family parcels at the site range in size from ¼ acre to ¾ of an acre. The parcels are proposed for the construction of custom homes that will likely be targeted to higher income groups.

Residential development will also be incorporated into each phase of the Truckee Railyard Mixed-Use Development Master Plan, in Truckee's Downtown. Adopted in 2009, the Railyard Master Plan allows for the development of up to 390 units in the 75-acre Plan Area. According to the adopted Railyard Master Plan, the first phase of the project was originally proposed to include a mixed-use theater/residential project, a mixed-use affordable housing project, and infrastructure improvements to connect the Truckee Railyard Master Plan area to the Downtown. However, the mixed-use theater/residential project known as the Rail House Theater was recently deemed infeasible by the developer. In a March 2016 Staff Report,[17] the revised concept for the Rail House building is described as 30 percent smaller than the previous design, including 46 residential condominium units, including 26 one-bedroom units, 19 two-bedroom units, and one three-bedroom unit. The other component in Phase I of Railyard Master Plan is the Truckee Artist Lofts, which will include 11 market-rate and 66 affordable loft units available to households with incomes between 30 and 60 percent AMI. The entire Railyard Master Plan Area is anticipated to develop over a period of approximately 10 to 20 years.

Other residential development projects in the pipeline in Truckee include Phase IV of the Boulders Condominium project and the Coyote Run II and Spring Creek subdivisions. Phase IV of the Boulders Condominium project will include a total of 39 market-rate townhome units. This will be the final phase of the much larger 211-unit project. Though the final phase was originally approved to provide three moderate-income units and two low-income units, the developers were granted a project amendment by the Town Planning Commission to reduce affordable housing requirements for Phase IV construction. This was based on weak demand for deed restricted units (including an appreciation cap) in the prior phases. The Coyote Run II subdivision and the Spring Creek subdivision, which have also been approved, will eventually provide 47 additional market-rate ownership units. In addition to these three subdivisions, the

[17] Town of Truckee. (March 15, 2016). *Planning Commission Staff Report*. Available at: https://www.dropbox.com/s/vf4pcmv7xhrkolc/Item%207.1%20Staff%20Report_Railyard%20Master%20Plan%20Amendment.pdf?dl=0

Quality Automotive project on Donner Pass Road has proposed to construct a small number of market rate units that are intended for use as employee housing.

Alpine Meadows and Squaw Valley

As noted earlier, there are three market-rate ownership housing projects currently proposed in in Alpine Meadows and Olympic Valley, which are currently under review. The proposed Alpine Sierra subdivision adjacent to the Alpine Meadows resort area would contain 47 market-rate single-family and duplex units. If approved, Alpine Sierra would be Alpine Meadows' first major residential development in over 30 years. The proposed Stanford Chalets project, which includes the redevelopment of the existing Stanford Alpine Chalets lodging facilities site, would add 18 market-rate duplex units to the Alpine Meadows stock. In neighboring Olympic Valley, the Palisades at Squaw subdivision would provide an additional 63 single-family and duplex units on 19.9-acres of undeveloped land next to the existing Estates at Squaw Creek subdivision. The project site area is designated as High Density Residential in the Placer County and Squaw Valley General Plans. If developed at the maximum density allowed under current zoning standards, the project could yield up to 240 units.

Commercial Development Projects

At current, there are only two commercial projects proposed for development within the region – other than the Martis Valley West Parcel Specific Plan and the Village at Squaw Valley Specific Plan, which are discussed in greater detail below – that would be subject to applicable workforce housing mitigation requirements. These include the Tahoe City Lodge and the Tahoe Expedition Academy. Both projects are currently under review. The Tahoe City Lodge Pilot Project, as it is formally known, would redevelop an existing commercial complex into a 120-unit lodge, including a mix of hotel rooms and suites. While full-time equivalent employment estimates have not yet been published for the Tahoe City Lodge project, the existing Placer County General Plan (Policy C-2) will require the project to ensure the provision of housing for at least 50 percent of the new employment generated, either through on- or off-site provision, or the payment of an in-lieu fee. The Tahoe Expedition Academy project would include development of a private K-12 educational campus, including 16 individual buildings totaling around 112,800 square feet, sufficient to accommodate up to 270 students, as well as dormitories for up to 40 students. The project is proposed on 42.15 acres in Martis Valley owned by the Martis Fund, which anticipates utilizing revenue from the sale to provide workforce housing closer to employment and existing residential centers. The project is expected to generate approximately 24 full-time equivalent employees. If approved, the project would need to submit a housing mitigation plan outlining its approach for ensuring the provision of housing for at least 12 workers, as required under the General Plan.

Table 34: Planned and Proposed Commercial Development Projects with Workforce Housing Requirements, 2016

Name	Description	Workforce Housing Unit Requirement	Anticipated Affordability	Status	Notes
Tahoe City Lodge Tahoe City	120-unit condo hotel	Under Review	Under Review	Under Review	Redevelopment of the Henrikson site with new tourist accommodation units and amenities.
Tahoe Expedition Academy Martis Valley	42 acre school campus with on-site 40 student dormitory	Under Review	Under Review	Under Review	Permanent educational institution for approximately 350 students ranging from pre-K through 12th grade.

Sources: Nevada County, 2016; Placer County, 2016; Town of Truckee, 2016; BAE, 2016.

Other Master Plans, Specific Plans, and Area Plans

Although there are a number of specific plans and master planned communities that expand the longer-term development potential of the Truckee North Tahoe Region, there are four that were identified by planning staff as likely to significantly impact the local housing market region. These include the Truckee Springs Master Plan, the Joerger Ranch Specific Plan, the Village at Squaw Valley Specific Plan, the Martis Valley West Parcel Specific Plan, and the Soda Springs Area Plan. These are discussed separately from the planned and proposed projects presented above, as they represent longer-term development prospects.

Truckee Springs Master Plan

The Truckee Springs Master Plan includes a 26.2-acre site located at the west end of South River Street. If developed, the project could include four single-family lots adjacent to the Truckee River, which would most likely yield 40 single-family units, but could also yield up to 80 multifamily units, or a 120 room hotel at the western edge of the site. Development on this site would be subject to inclusionary housing requirements and/or workforce housing mitigation requirements, likely resulting in the provision of below market rate and/or workforce housing on-site or off-site, or through the payment of an in-lieu fee. The project applicant has thus far completed the "Summary Plan" process and participated in a Planning Commission workshop to obtain additional direction from decision makers in May of 2016.

Joerger Ranch Specific Plan (PC-3)

The Joerger Ranch Specific Plan (PC-3) received approval from the Town of Truckee in January 2015. Located on 67 acres near the Truckee Tahoe Airport. The project will predominantly include commercial, office, and industrial uses, with approximately four acres of land set aside for higher density (i.e., 18-20 dwelling units per acre) multifamily workforce housing near employee-generating commercial and industrial uses, with a total yield of 72-80 units. As with the Truckee Springs, development within the Specific Plan area will be required to mitigate for employment generation through the provision of workforce housing on-site or off-site, or through the payment of an in-lieu fee. Based on a Floor Area Ratio (FAR) of 0.25 and the employee generation factors provided in the Town's workforce housing code, the Specific Plan may reasonably generate up to 578 full-time equivalent jobs which would require the provision of 82.7 workforce housing units. The provided acreage is therefore expected to accommodate most of the projected workforce housing demand associated with buildout of the Specific Plan Area. It is also worth noting that all workforce housing units provided in the Workforce Multi-Family Residential Zoning District will be restricted to full-time occupancy, with short-term rentals (i.e., less than 30 consecutive days) being prohibited. Cohousing is also permitted.

Village at Squaw Valley Specific Plan

The proposed Village at Squaw Valley Specific Plan would establish a policy framework through which redevelopment could be pursued in areas primarily surrounding the existing village center. Note that the project is currently undergoing a public engagement process and is subject to considerable controversy. The proposed plan, as of this writing, envisions the net addition of more than 200,000 square feet of commercial space and 850 residential units on a 94-acre project site. Nearly all of the proposed housing will be used primarily for short-term tourist accommodations. Development under the Village at Squaw Valley Specific Plan is anticipated to generate approximately 574 new full-time jobs at final build-out. All development under the Plan will be subject to Placer County employee housing requirements (General Plan Policy C-2), ensure the provision of housing for at least 50 percent of the new employment generated, either through on- or off-site provision, or the payment of an in-lieu fee. According to the April 2016 Revised Specific Plan documents,[18] the zoning on the Squaw Valley East Parcel would be sufficient to accommodate residential facilities for up to 300 people. Assuming that the housing is reserved for the local workforce, this would be sufficient to meet the project's workforce housing obligations. In terms of current status, the Final Environmental Impact Report (EIR) and a revised final draft Specific Plan were released in April 2016, though both still require adoption by Placer County.

Martis Valley West Parcel Specific Plan

The Martis Valley West Parcel Specific Plan (MVWPSP) site is located roughly between the Town of Truckee and the north shore of Lake Tahoe, within the Martis Valley Community Plan. The West Parcel is located on forested land to the southeast of Northstar. The MVWPSP provides for the transfer of development rights associated with 760 residential units and 6.6 acres of commercial land designations from the Martis Valley East Parcel to the Martis Valley West Parcel. The development rights associated with the remaining 600 residential units on the East Parcel will be permanently retired. Therefore, the maximum development potential of the MVWPSP area will be reduced from 1,360 units to 760 units. The MVWPSP excludes portions of both parcels that are located within the Lake Tahoe Basin, therefore no action is required by TRPA. Following the transfer of development rights, the East Parcel will be designated as permanent open space, either via fee simple or a conservation easement. According to the May 2016 Revised Draft Specific Plan,[19] the probable residential unit mix would include 375 single-family lots, 265 townhomes or multiplex units, and 120 cabins. Inclusionary and workforce housing requirements will likely be satisfied through the payment of in-lieu fees totaling approximately $2.0 million.

Soda Springs Area Plan

The Soda Springs Area Plan functions as the comprehensive land use plan for the Soda Springs community on Donner Summit. While much of the Plan is focused on providing opportunities for commercial and recreation oriented development adjacent to Highway 80, the draft Soda Springs Area Plan would increase the allowable residential density in commercial zones from four units per acre to six units per acre and would allow duplex units in

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[18] Squaw Valley Real Estate, LLC. (April 2016). *The Village at Squaw Valley Specific Plan.* Available at: https://www.placer.ca.gov/departments/communitydevelopment/planning/villageatsquawvalleyspecificplan
[19] Unknown. (May 2016). *Martis Valley West Parcel Specific Plan: Revised Public Review Draft*. Available at: https://www.placer.ca.gov/departments/communitydevelopment/planning/martisvalleywestparcelproject/martisvalleywestparceldraftsp

the Multi-Family Medium Density (R3) zone on parcels of less than one-half acre in size. The current zoning in the R2 zone within the Soda Springs Rural Center only allows duplex units on parcels of greater than one acre in size. Among the stated goals associated with these changes is the promotion of affordable housing development through the clustering of residences and the development of more affordable housing types (e.g., attached units), while simultaneously maintaining compatibility with the surrounding community character. There are also five parcels located above the intersection of Donner Pass Road and Soda Springs Road that are proposed for rezone to High Density Residential (R3), which permits multifamily development at densities up to 20 units per acre within an incorporated area's sphere of influence and 15 units per acre elsewhere in the unincorporated county.

Housing Sites Inventory

To assess the future potential for housing development within the Truckee North Tahoe region, beyond the units currently represented in the pipeline of planned and proposed projects, BAE collected information on vacant land that is zoned for residential development, as reported in the respective Housing Elements for the Town of Truckee, Nevada County, and Placer County. As required under California Government Code Section 65583(c)(1), each Housing Element is required to include an inventory of land suitable for residential development, including vacant sites and sites with the potential for redevelopment. The inventory must identify an adequate supply of land with the appropriate zoning, development standards, and infrastructure availability to provide reasonable opportunity for the development of a variety of housing types and densities presumed to encourage affordability for households at all income levels. After compiling the inventories from the three Housing Element documents and screening them to remove sites located outside of the Truckee North Tahoe region, BAE conducted interviews with appropriate planning staff from each jurisdiction to identify any necessary updates to the inventory and to identify any previously unidentified site constraints.

As reported in Table 35, there are a total of 170 housing opportunity sites located within the region. The majority of the sites are located within lower density zoning districts, with anticipated densities of between zero and five dwelling units per acre. These parcels range in size from as little as one-quarter acre to more than 600 acres, with a total anticipated yield of 2,015 units. The region features on a small number of sites in the medium density range of six to 10 dwelling units per acre. These range in size from just over one-half acre to 375 acres, with a total anticipated yield of nearly 1,600 units. The region features a total of 42 sites, consisting of 108 parcels, that are located within higher density zoning districts allowing more than 10 dwelling units per acre. These sites are the most likely to provide opportunities to develop higher density units that are more affordable. With parcels ranging in size from as little as 0.04 acres to as much as 179 acres, the Housing Elements identified a total anticipated yield of nearly 3,800 units on higher density opportunity sites,

Table 35: Housing Sites Inventory Summary, Truckee North Tahoe Study Area, 2016

Density (Dwelling Units Per Acre)	Number of Sites	Number of Parcels	Parcel Size		Total Acreage (b)	Anticipated Capacity
			Minimum	Maximum		
0-5 du./ac.	119	148	0.26	637	4,205	2,015
6-10 du./ac.	9	15	0.67	375	948	1,594
>10 du./ac.	42	108	0.04	179	1,536	3,788
Total, All Densities	**170**	**271**	**0.04**	**637**	**6,689**	**7,397**

Notes:
(a) Based on the sites inventories reported in the adopted Housing Elements for Placer County, Nevada County, and the Town of Truckee. The inventory was filtered to include only those sites located within the study area and was updated based on input provided by local planning staff.
(b) Based on the total reported site acreage. Note that in some cases, the reported parcel-by-parcel acreage totals did not sum to the reported total site acreage. In most cases, this is assumed to account for known constraints to development.

Sources: Placer County, General Plan, Housing Element, 2013; Nevada County, General Plan, Housing Element, 2014; Town of Truckee, General Plan, Housing Element, 2015; BAE, 2016.

Although Nevada County features the most available acreage, the majority of the sites are located within lower density zoning districts, resulting in lower anticipated yields. Only two of the identified sites in the Truckee North Tahoe Study Area portion of the County are zoned for high density residential development. Both are located in the greater Truckee area and allow densities of up to 15 units per acre. Four other sites in the Truckee area are also zoned as "Interim Development Reserve". Together, these four sites could potentially accommodate 1,793 units. The remaining 111 sites are lower density parcels in the Soda Springs area.

The inventory of vacant sites in the Placer County portion of the Study Area 1,850 acres of developable land at 38 sites. The highest residential density permitted by the Placer County General Plan is 21 units per acre. However, the specific plan areas in the County all include areas that are designated high-density housing, some of which allow densities up to 25 units per acre. In the Martis Valley Community Plan Area, eleven sites are expected to yield 1,400 units. A majority of the sites identified within the Martis Valley Community Plan Area are part of the Northstar Master Plan. Six sites were identified in the Squaw Valley Community Plan Area that could potentially yield over 870 units. Finally, eleven sites were identified within the North Tahoe Community Plan Area, which includes the areas of Carnelian Bay, Tahoe Vista, and Kings Beach. These sites are expected to yield approximately 590 units.

The inventory identified a total of 19 sites on 187 acres of developable land within the Town of Truckee. Ten sites are located within the Downtown Specific Plan Area. Three of the downtown sites are also within the Railyard Master Plan Area, which has the potential to accommodate 579 units. A mixture of commercial, mixed-use, and residential uses are also proposed for the Coldstream planned development in west Truckee. The Coldstream site is zoned to accommodate 300 residential units, as well as up to 75 secondary units. Up to 86 units would be multifamily or mixed-use units in the Village Mixed Use Commercial District, while the remaining units would be single-family homes in the planned community's two residential districts. The town of Truckee also recently revised the Development Code to allow and incentivize higher density development within the Downtown Visitor Lodging (DVL) zone, which applies to the 10.37 acre Barsell Property. The rezone is part of a process necessary to ensure compliance with California Housing Element law, whereby the Town must demonstrate sufficient sites to accommodate 302 units of previously unmet need.

LOCAL HOUSING PROGRAMS & POLICIES

The following section provides a brief overview of the housing goals, policies, and programs that are in place within the four primary governmental jurisdictions located within the Truckee North Tahoe region. These include the Town of Truckee, Placer County, Nevada County, and the Lake Tahoe Basin, which is under the jurisdiction of the Tahoe Regional Planning Agency (TRPA). The purpose of this section is to document what policies and programs are currently in place and to highlight what each jurisdiction is already doing to address affordable and workforce housing needs within their respective areas. In addition, this research recognizes the existence of more than 20 special districts within the region. While special districts typically do not have authority over the use of private lands, many employ a significant number of workers within the region, some offer or have considered offering housing resources for their employees, and many possess lands that could be leveraged to facilitate the development of affordable housing for the region’s workforce. Special districts also possess the authority to levy impact fees and utility connection fees, which, depending on their structure, can disproportionately increase the cost of development and can function as disincentives to the development of smaller housing units affordable to low- and moderate-income households.

Nevada County

Housing Goals, Policies, and Programs

Housing policy within the Nevada County is governed by the 2014-2019 Housing Element, which is a mandatory component of the countywide General Plan, adopted in February 2015. The Housing Element includes a total of 15 goals related to housing development; maintenance and improvement of the existing housing stock; retention of existing affordable housing units; the removal of constraints to affordable housing development; the promotion of equal opportunity in housing; energy conservation; and housing element implementation and monitoring. Each goal is then associated with an array of policies intended to facilitate implementation. Some of Nevada County’s more notable housing programs include, but are not limited to, the following:

- Policy HD 8.1.3: Provide for a variety of second dwelling units.
    - Continue to allow second dwelling units as a permitted use regardless of General Plan or zoning density to the extent they are identified for preferential treatment under State law.
    - Encourage all second units to consider during the design phase Universal Design Standards for accessibility including, but not limited to, accessible bathroom, reinforced bathroom walls, 36” doors and hallways, etc.

- **Policy HD 8.1.4:** Allow duplexes, duets, and four-plexes mixed-in with single-family residential developments in all zoning districts that permit single-family dwellings.
- **Policy HD 8.1.6 and EO 8.5.3:** Encourage the construction of multifamily and single-family housing units for very low- and low-income households and senior citizens by providing 1) a density bonus of at least 25 percent and 2) at least one concession or incentive, including waiver of parking standards, landscaping standards, etc.
- **Policies HD 8.1.12:** Coordinate with the town and cities to secure funds to land bank parcels for future development of affordable housing and utilize public sources of excess land, such as Bureau of Land Management, State of California, schools, etc.
- **Policy HD 8.1.15:** Encourage construction of housing affordable to locally employed professionals (i.e., teachers, sheriff deputies, firefighters, and other public service employees) utilizing state homeownership programs.
- **Policy HD 8.1.17:** Encourage development and retention of alternate housing types, such as single-room occupancy units.
- **Policies HD 8.2.2 and HD 8.2.3:** Provide assistance, both technical and financial, directly to households, as well as to non-profit and for-profit groups, to encourage the rehabilitation of housing occupied by very low-, low-, and moderate-income households.
- **Policies HD 8.4.2 and HD 8.4.7:** Provide partial fee waivers and allow the relaxation of certain development standards as incentives to provide housing affordable to very low- and low-income households.
- **Policy HD 8.5.5:** Provide for self-sufficient seasonal or permanent housing above the density allowed by the General Plan for employees and operators engaged in resource based production or resource management.

Other Housing Programs

In addition to pursuing the goals and policies described above, Nevada County also provides direct assistance to lower-income households through a number of key programs. Note that these are not directly related to the programs identified in the Housing Element, which function as implementation items for the Housing Element goals and policies. Housing programs in Nevada County are provided through the Regional Housing Authority of Sutter and Nevada Counties. Based on interviews with County staff, the County's key housing programs include the following:

- **HOME Down Payment Assistance Program:** The Down Payment Assistance Program provides low interest loans of up to $60,000 to first time home buyers within the unincorporated area of Nevada County. The program provides down-payment assistance loans to low-income first-time homebuyers, with incomes up to 80 percent of the area median. To be eligible for funds, a buyer must first qualify for a first mortgage and contribute a minimum down payment of at least one percent. The purchase price of the home cannot exceed $318,000.

- Housing Rehabilitation Loan Program: The County's Housing Rehabilitation Loan Program is intended to help low-income residents remedy unsafe, unhealthy or unsanitary conditions. The Program provides 15-year deferred loans of up to $60,000. Staff reported that rehabilitation loans are popular in the County, with around 12 households currently on the waiting list. The Program is supported by Community Development Block Grant (DCBG) funds.

- Energy Assistance and Weatherization Grants: Nevada County's Home Energy and Weatherization Programs are administered by Project GO, Inc., a community-based organization. The energy assistance program provides direct payment to a utility company to help defer the cost of heating and cooling bills. The program also provides direct propane wood subsidies to help with the costs of heating a home. The Weatherization Program provides free weatherization services and products to improve energy efficiency and reduce overall utility costs. Both grant programs provide assistance to households with incomes up to 80 percent AMI.

- HOME Tenant-Based Rental Assistance Program (TBRA): The County received a $253,000 HOME grant to fund a rental subsidy program to assist tenants with incomes of up to 60 percent of the area median with the payment of security deposits. The amount of the subsidy is calculated based on an applicant's ability to pay. Assistance is provided in the form of a grant, and does not have to be repaid. Funding for the Program is not yet available, but staff reported that the Program is anticipated to begin accepting applications this year.

- Housing Choice Voucher (Section 8) Program: The Housing Authority also administers the Housing Choice Voucher program, which is a federal assistance program for low-income households. The County reports that they receive very little funding for this program. The number of vouchers available within the county, therefore, is limited.

Implementation Challenges
Interviews with Nevada County staff indicated that the county's primary challenges, as they relate to implementation of Nevada County housing policies and programs, include lack of capacity and the high cost of administration. For example, administrative costs for the HOME program are much larger than most other Housing programs that the County operates. The County incurs upfront costs for every down payment assistance loan that it grants and there is an approximate eight-week lag between invoice and receipt of reimbursement payment. This puts a strain on the County's ability to manage resources and make additional loans.

Placer County

Housing Element Goals, Policies, and Programs

Housing policy within Placer County is governed by the 2014-2021 Housing Element, which is a mandatory component of the countywide General Plan. The Housing Element includes a total of nine goals related to the provision of new housing opportunities for households at all income levels; encouraging the construction of safe and decent housing; the promotion of housing opportunities that meet the needs of households in the Tahoe Basin; the improvement of the County's affordable housing stock; the preservation of at-risk units; efforts intended to meet the housing needs of special groups; the promotion of energy efficiency and equal opportunity; and housing element implementation and monitoring. Each goal is then associated with an array of policies intended to facilitate implementation. Some of Placer County's more notable housing policies include, but are not limited to, the following:

- Policy B-1: Permitting priority to projects that include an affordable housing component.
- Policy B-2: Lease, sale, or grant of County-owned property to facilitate construction of affordable housing.
- Policy B-6: Require affordable housing associated with market-rate development to be developed in a timely manner with market-rate units.
- Policy B-8: Waive 100 percent of County-controlled development fees for residential projects located outside of a specific plan area that include at least 10 percent affordable housing.
- Policy B-10: Implement the following incentive programs for affordable housing:
    - Allow second units with single-family residences;
    - Allow mobile homes and manufactured housing in all residential districts;
    - Allow "hardship mobile homes" as second residential units in residential and/or agricultural zones; and
    - Allow relief from parking standards and other development standards.
- Policy B-12: Require any privately-initiated proposal to amend a General Plan or Community Plan land use designation to include an affordable housing component.
- Policy B-13: Require 10 percent of all residential units in specific plans to be affordable.
- Policy B-14: Consider requiring 10 percent affordable units, or comparable requirement, for any General Plan amendment that increases density.

- Policy B-15: Educate the public on the myths and realities of multifamily housing, affordable housing, and supportive housing to improve community support.

The Placer County Housing Element also includes a number of policies specifically oriented toward the needs of households in the Lake Tahoe Basin. These include:

- Policy C-1: Encourage the Tahoe Regional Planning Agency (TRPA) to:
    - Strengthen the effectiveness of existing incentive programs, and;
    - Change TRPA regulations to permit second residential units on parcels less than one acre in size.
- Policy C-2: Require new development to mitigate potential impacts to employee housing by housing 50 percent of the full-time equivalent employees (FTEE) generated by the development. If the project is an expansion of an existing use, the requirement shall only apply to the portion of the project that is expanded (e.g., the physical footprint of the project or an intensification of the use. This requirement can be met through:
    - Construction of on-site employee housing;
    - Construction of off-site employee housing;
    - Dedication of land for needed units; and/or
    - Payment of an in-lieu fee.

The Housing Element includes some key implementing programs, including, but not limited to:

- Program A-6: Develop, and offer free of charge, prototype plans for second units to bring down permit costs.
- Program A-8: Adopt a zoning Text amendment to define co-op housing, develop standards, and designate zones appropriate for such units.
- Program A-6: Ease development standards and/or provide density bonuses to encourage construction of studio apartments.
- Program B-1: Evaluate County-owned surplus land to determine suitability for workforce and affordable housing development.
- Program B-2: Partner with developers interested and capable of constructing and managing workforce and affordable housing.
- Program B-3: Amend engineering standards and the subdivision and zoning ordinances to allow flexibility in certain development standards as incentives for affordable housing.

- **Program B-4:** Use the density bonus ordinance to encourage rental and for-sale housing.
- **Program B-5 and B-6:** Adopt a resolution increasing fee waivers (currently 50 percent) up to 100 percent of the application processing fees for developments with long-term affordability covenants that include deed restricted affordable housing units. Establish a fee waiver program for impact fees for affordable housing projects, or allow developers to pay over time.
- **Program B-10:** Explore the possibility of streamlining the approval process for second units, as well as allowing second units on smaller parcels.
- **Program B-12:** Consider amending the Zoning Ordinance to allow multifamily dwellings of 20 or fewer units/acre as permitted by right in the C1 and C2 zoning districts.

Implementation programs oriented specifically toward the Lake Tahoe area include, but are not limited to:

- **Program C-1:** Work with TRPA to develop a revised set of affordable housing incentives.
- **Program C-2:** Review Policy C-2 to consider the appropriateness of the application of the employee housing requirement to small businesses, the financial feasibility of mitigating 50 percent of employee housing demand, and the impact of the requirement on new business attraction.
- **Program C-4:** Investigate additional mechanisms to facilitate the production of workforce housing in the Lake Tahoe area, including the creation of an assessment district(s) and/or an amnesty period for illegal secondary dwelling units.
- **Program C-5:** Continue to meet with stakeholders and surrounding jurisdictions to discuss workforce housing issues and develop cooperative strategies that address identified needs.

Other Housing Programs

In addition to pursuing the Housing Element goals, policies, and programs described above, Placer County also provides direct assistance to lower-income households through a number of key programs. Note that these are not directly related to the programs identified in the Housing Element, which function as implementation items for the Housing Element goals and policies. Based on interviews with County staff, the County's key housing programs include the following:

- **Housing Trust Fund:** Placer County has established a Housing Trust Fund to increase the supply of affordable housing in the County. The Fund is currently supported by in-lieu fees and employee housing mitigation fees. According to staff, the County primarily uses the funds to provide "gap" financing and leverage funds for the construction of affordable housing projects. To be eligible for Housing Trust Fund assistance, the incomes of the households occupying the units in a project must not exceed 120 percent AMI for ownership and 80 percent AMI for rental housing.

- Employee Housing Policy: As noted under the Housing Element policies, Placer County adopted an Employee Housing Mitigation Policy to promote housing opportunities for workers in the Tahoe Basin. Under the policy, new development is required to mitigate potential impacts to employee housing by offering housing for 50 percent of the full-time equivalent employees (FTEE) that are generated. Employee housing can be provided on-site or off-site. The developer also has the option of dedicating land and/or paying an in-lieu fee to meet the requirement. As of February 2016, 96 rental units and 10 ownership units have been built under the policy. These units are currently available to households with incomes between 80 and 120 percent AMI.
- First Time Homebuyer Down Payment Assistance Program: Placer County has supported affordable homeownership through its First Time Homebuyer Assistance Program since 2000. The Program currently provides down payment assistance to low-income (up to 80 percent AMI) homeowners to purchase homes in unincorporated areas of the County. The assistance is in the form of a deferred loan of up to $100,000. The maximum sales price cannot exceed $325,000 for single-family homes and $185,000 for condominiums. According to staff, certain areas of the county are "off limits" due to the high costs of ownership housing in those areas. The Program is currently funded through CalHome and HOME grant funds.
- Martis Fund Homebuyer Assistance Program: Placer County administers the Martis Fund Homebuyer Assistance Program, which provides homebuyer assistance to households with incomes up to 180 percent AMI. Assistance is provided in the form of loans of up to $50,000 to aid in the purchase of a home located within Placer County east of Donner Summit or in the Town of Truckee. The Program requires that at least 51 percent of the household's income be from employment within the greater Truckee North Tahoe area. There is no sales price limit for the program. According to staff, the Program's flexibility has made it extremely successful. Initial funding was provided by a $500,000 grant from the Martis Fund in 2015. Nineteen families have already received funding. The Martis Fund recently committed to providing an additional $200,000 to fund the second phase of the program.
- California Rural Homebuyers Mortgage Finance Authority (CRHMFA) Fund: Placer County also works with the Golden State Finance Authority (GSFA) to provide homebuyer assistance to low- and moderate-income residents in Placer County. Through the GSFA's Platinum Program, qualifying homebuyers have access to down payment and/or housing closing cost assistance in the form of non-repayable grants. The grants can be sized up to 5 percent of the original loan amount. The program income limits are determined by the type of loan being used to finance the purchase of

the home. Currently, the income limit for FHA, VA, and USDA first mortgages in Placer County is $82,225. The income limit for Freddie Mac first mortgages is $100,100.

- Housing Rehabilitation Loans: Placer County offers several grant programs for low-income residents seeking to rehabilitate their homes. The Programs are funded through state, federal and private grants, including USDA Rural Development Grants, CDBG, HOME, and Project GO. Income limits vary by funding source. Typically, households making up to 80 percent AMI are eligible to apply for rehabilitation loan funds in the County.

Implementation Challenges

Interviews with Placer County staff indicated that the county's primary challenges as they relate to implementation of the housing programs include sales price and income limitations of grant funds, a lack of funding committed to assisting with the development and acquisition of workforce housing units, and an overarching shortage of housing that is available for full time occupancy, which is particularly acute at the lower price points. Many of the large residential and commercial developments that have moved forward in recent years, which included some type of employee housing mitigation requirement, were permitted to postpone the development of the required units, in some cases indefinitely, and that in other cases the developer was able to make a case sufficient to have the requirements waived.

Town of Truckee

Housing Element Goals, Policies, and Programs

Housing policy within the Town of Truckee is governed by the 2014-2019 Housing Element, which is a mandatory component of the General Plan, adopted in January 2015. The Housing Element includes a total of seven goals related to ensuring an adequate supply of housing to meet the needs of all segments of the community; conserving and improving the quality of the housing stock; removing constraints to the development and preservation of affordable housing; balancing the need for housing with impacts on the environment and services; providing housing affordable to all segments of the community; and providing equal housing opportunities. Each goal is then associated with an array of policies intended to facilitate implementation. Some of the Town's more notable housing policies include, but are not limited to, the following:

- Policy H-1.1: Provide adequate sites for the production of new residential units.
- Policy H-1.2: Encourage the private sector to build affordable housing.
- Policy H1.3: Ensure a variety of safe, decent and sound housing.
- Policy H-2.1: Pursue the use of all available resources for the rehabilitation and conservation of the existing housing stock.

- Policy H-3.1: Review and modify standards and application processes to remove constraints to affordable housing production (including the provision of fee waivers/deferrals, modification of parking standards, and streamlined development review).
- Policy H-5.1: Pursue and support the use of available private, local, state and federal assistance to support the development or rehabilitation of affordable housing.

The Housing Element includes some key implementing programs, including, but not limited to:

- Program H-1.1.1: Recognizing a shortfall of available sites to meet the 4th cycle regional housing needs allocation (RHNA), pursue the rezone of a number of key sites using the newly created RM-18 zoning district, which allows 16 to 18 units per acre. Also adopt a multifamily residential overlay district for the Upper McIver Dairy site to accommodate a minimum of 304 units. Both the rezones and overlay will allow both owner occupied and rental multifamily uses by-right with a minimum net density of 16 dwelling units per acre.
- Program H-1.1.2: Annually evaluate the inventory of available sites and take appropriate action to ensure ongoing supply of available sites at appropriate densities to meet projected housing needs growth.
- Program H1.1.3: Require residential projects to achieve 50 percent of the maximum allowed density, requiring inclusionary housing units for any project built below 90 percent of the maximum density, according to a “sliding scale” standard.
- Program H-1.2.1: Revise the Town’s Density Bonus Program and continue to encourage its use with eligible proposed developments so as to disperse affordable development throughout the Town.
- Program H-1.2.2: Review the Development Code standards for second units to identify potential revisions to further encourage second unit development. Investigate alternative programs that allow construction of three non-deed-restricted second units to fulfill one affordable housing unit requirement for larger residential projects. Present the community and neighborhood benefits of second units to homeowner associations whose Covenants, Conditions, and Restrictions (CC&Rs) prohibit such uses, and ask that the prohibition be considered for removal.
- Program H-1.2.3: Continue to implement the Inclusionary Housing Ordinance that requires new development to include affordable housing units or to pay an in-lieu fee. Annually review the effectiveness of the Inclusionary Housing Ordinance and investigate equivalent or better funding sources to replace the Inclusionary Housing Requirement.

- Program H-1.2.4: Continue to implement the Workforce Housing Ordinance that requires commercial, industrial, institutional, recreational, and residential resort projects to mitigate a portion of the housing demand associated with the projected workforce or pay an in-lieu fee. Annually review the effectiveness of the Workforce Housing Ordinance and investigate equivalent or better funding sources to replace the Workforce Housing Requirement.
- Program H-1.3.3: Encourage alternative housing types such as co-housing and micro-housing to meet the diverse housing needs of all sectors of the community.
- Program H-2.1.1: Consider programs to provide loans to homeowners to assist in rehabilitating existing homes through an Owner-Occupied Housing Rehab Program.
- Program H-2.1.2: Continue to maintain an inventory and annually monitor affordable, income-restricted housing units, including both rental and ownership units.
- Program H-2.1.4: Require in-kind or better replacement of any affordable units lost through conversion of a mobile home park to non-affordable housing or another use.
- Program H-5.1.2: Support nonprofit entities, such as Domus, Mercy Housing, etc., in their efforts to make housing more affordable, through activities including supporting grant applications, in-kind technical assistance, subsidies and sites identification.
- Program H-5.1.3: Cooperate with Regional Housing Authorities of Nevada and Sutter Counties to provide rental assistance through the Section 8 Voucher Program.
- Program H-5.1.7: Provide information to the special districts regarding the affordable housing need and the social, economic, and environmental benefits of housing the workforce close to the work place. Request that each special district provide an inventory of their real property holdings and consider the potential of the land in the inventory to provide land for affordable or workforce housing development.

Other Housing Programs

In addition to pursuing the Housing Element goals, policies and programs described above, the Town of Truckee also provides direct assistance to lower-income households through a number of key programs. Note that these are not directly related to the programs identified in the Housing Element, which function as implementation items for the Housing Element goals and policies. Based on interviews with Town staff, the key housing programs include the following:[20]

- Inclusionary Housing Ordinance: The Town adopted an Inclusionary Housing Ordinance in May 2007 to promote the development of affordable housing in Truckee. The

[20] There are a number of programs offered in Placer and Nevada Counties which provide housing assistance to Truckee residents. These programs are summarized in the respective sections for each jurisdiction.

Ordinance requires all new residential development to include deed-restricted affordable units, or to pay an in-lieu fee or dedicate land. For ownership projects, 100 percent of the inclusionary units must be affordable to moderate-income households, or one-third must be affordable to low-income households, one-third must be affordable to moderate-income households and one-third must be affordable to above moderate-income households. For rental projects, 100 percent of the inclusionary units must be affordable to low-income households, or one-third must be affordable to very low-income households, one-third must be affordable to low-income households and one-third must be available to moderate-income households. Generally, residential units are made affordable to residents with incomes ranging between 30 and 120 percent of the area median. Staff reported that the inclusionary housing policy has been very successful in dispersing affordable housing throughout the Town.

- Workforce Housing Ordinance: Non-residential projects and residential projects which include certain non-residential uses are required to include or provide workforce housing for the employees that are generated by the project. The number of workforce housing units varies by project size and is calculated based on the number of full-time equivalent employees (FTEEs), or based on the number of employees that are generated by income level. The workforce housing units can either be rental or for sale units. The units must be targeted for households with incomes between 30 and 120 percent of the area median.

- BEGIN Reuse Program: The BEGIN Reuse Program is one of two first-time homebuyer programs available to assist Truckee residents with the purchase of a home. The BEGIN Program has been funded by two rounds of General Fund funding, and provides down payment assistance in the form of loans of up to $90,000 for the purchase of a home within the Town limits. The applicant must qualify for a 30-year, fixed rate first mortgage to be eligible for Reuse funds. All homes purchased through the program are purchased and sold at market rate. The program is unique in that it offers assistance to households making up to 160 percent of the area median, which is a higher level of income that typical state and federal housing programs exclude. Currently, there are funds available for residents making up to 120 percent of the area median. Since 2009, the program has provided down payment assistance loans to sixteen households.

- CalHOME Reuse Program: The Town of Truckee has remaining CalHOME Program funds that are available to assist low-income first-time homebuyers with the purchase of a home. The Program provides down payment assistance in the form of deferred loans of up to $38,000 to households making up to 80 percent of the area median. The applicant must qualify for a 30-year, fixed rate first mortgage to be eligible for Reuse funds. The loan payments that the Town receives from homeowners under the Program are used to fund the current Program. According to staff, this program is underutilized due to the limited number of market rate homes that families making up to 80 percent of the area median would be able to afford in the Town of Truckee. Staff reported that approximately half of the Program's funds has been used to purchase manufactured housing, such as mobile homes.

- Martis Fund Homebuyer Assistance Program: Similar to Placer County residents, residents of the Town of Truckee are also eligible for assistance under the Martis Fund Homebuyer Assistance Program. For additional details, refer to the Placer County section above.

Implementation Challenges

Interviews with Town of Truckee staff indicated that State and federal funding requirements make it difficult to implement some homeowner programs in Truckee. There are currently no waiting lists for the two homeownership programs, despite both programs having available funds. According to staff, households making 80 percent the area median or less are limited by the availability of lower cost market rate homes that are available at any given time in the market. The vast majority of households making 80 percent of the area median, or less, are not able to qualify for a first mortgage to purchase a home at current market prices. Staff noted that there is a limited supply of both rental and ownership housing that is affordable to residents in the moderate-income category range. These individuals do not qualify for some programs, yet they are often priced out of the for-sale market and forced into a scarce rental market, often renting single-family units that are larger and more expensive than would otherwise be preferred and/or necessary.

Tahoe Regional Planning Agency

The Tahoe Regional Planning Agency (TRPA) was established in 1969 by the Tahoe Regional Planning Compact (Public Law 06-551, 94 Statute 3233), or Bi-State Compact, which was a joint agreement by the States of California and Nevada, and the 96th Congress of the United States. Under the Bi-State Compact TRPA was given authority over land use and other activities in the Lake Tahoe Basin, in order to encourage the wise use and conservation of the waters of Lake Tahoe, and of the resources around the lake. In an effort to better balance interactions between the natural and built environments, TRPA created an inventory of land use commodities (described below), under a transfer-of-development-rights (TDR) framework, that regulates growth and development in the Basin. In December 2012, TRPA adopted an update to the Lake Tahoe Regional Plan, which became effective in February 2013. The update established a series of new and modified policies intended to achieve, and subsequently maintain, the adopted 2011 Environmental Threshold Carrying Capacities, also known as the Threshold Standards.[21]

[21] The Threshold Standards represent a set of environmental quality targets designed to protect the unique natural values of the Tahoe Region, while providing for appropriate and orderly development. For more detail on the Threshold Standards, please see the 2011 Threshold Evaluation Report available at: http://www.itstactical.com/

Land Use Commodities

Upon adoption of the 1987 Regional Plan, each residentially-zoned lot in the Basin was allocated one Residential Development Right (RDR). That RDR represents a necessary approval for construction of one housing unit. For residential development, a property owner must also acquire a Residential Allocation, which affords the property owner the right to construct one housing unit within a given calendar year. Once a residential unit is constructed, the RDR and Residential Allocation combine to form an Existing Residential Unit of Use (ERUUs). All types of development, including both residential and non-residential construction, also require the acquisition of Coverage rights, which regulate permanent land disturbance and the establishment of impervious surfaces (e.g. structures, parking lots, etc.).

TRPA also created two types of non-residential land use commodities. These include Commercial Floor Area (CFA) and Tourist Accommodation Units (TAUs). CFA refers to the gross floor area of structures dedicated to commercial uses (e.g. retail, office, etc.). The commodities known as TAUs primarily represent hotel and motel units, but also some condominium units that are professionally managed and function as temporary rental accommodations (i.e., 30 days or less). TAUs are important with regard to the TRPA housing program because TAUs represent a form of temporary housing, which is convertible to ERUs or CFA, under the Code of Ordinances. There is also a perceived oversupply of poorly maintained and underperforming motel properties, particularly on the south shore. If some of those properties were removed and converted to ERUs, the resulting land use commodities could be used to support affordable and workforce housing development, especially when transferred to designated town centers.

While the TDR system and its associated land use commodities have been effective at restricting the pace and scope of development within the Lake Tahoe Basin, parcels without RDRs, or developers wishing to increase density beyond one unit per parcel, are required to purchase additional development rights as necessary to accommodate the desired development. In addition, TRPA requires the acquisition of adequate coverage rights, which can also be purchased, at significant cost. Developers are also required to wait in line to receive one of a limited number of development allocations that are made available each year. The pool of residential development allocations is limited and is based on the number of units remaining to be developed within the buildout potential established under the Regional Plan. The requirement to acquire coverage, development rights, and annual residential allocations further limits the volume of potential development that can occur each year, increasing both costs and developer uncertainty. One alternative to the mainstream process, however, is to purchase ERUUs, or their equivalent, then transfer those development rights. The process to do this is not only fraught with uncertainty, but also quite complex administratively, and is therefore quite expensive. These factors act to discourage the development of new housing within the basin, and provide incentives for developers to target the higher income second home and visitor serving residential markets with more expensive housing that can better absorb the costs of obtaining rights to develop housing within the Tahoe Basin.

Housing Program Goals and Policies

The Housing section of the 2012 Regional Plan includes three specific goals, including: the promotion of housing opportunities for full-time and seasonal residents, as well as workers employed within the region; encouraging the development of moderate income housing in suitable locations; and regularly evaluating the housing needs in the region and updating policies and ordinances accordingly to achieve the stated state, local, and regional goals. Each goal is then associated with an array of policies intended to facilitate implementation. Some of the more notable TRPA housing policies include:

- Policy HS-1.1 and HS-2.1: Provide special incentives, such as bonus development allocations, to promote affordable or government assisted housing for lower income households (80 percent of the area median or less) and moderate income households (120 percent of the area median or less).
- Policy HS-1.4: Affordable or government assisted housing should be located in close proximity to employment centers, government services, and transit facilities, such housing must be compatible with the scale and density of the surrounding area.
- Policy HS-2.2: Residential units developed using the moderate income housing incentives shall be used to provide housing for full-time residents of the Tahoe region, such units shall not be used for vacation rental purposes.
- Policy HS-3.1: TRPA shall regularly review its policies and regulations to remove identified barriers preventing the construction of necessary affordable housing.

Regional Housing Needs Program

One of the mitigation measures included in the Environmental Impact Statement (EIS) for the 2012 Regional Plan Update required the preparation of a Regional Housing Needs Program to "evaluate progress towards the adopted housing goals and recommend policy and ordinance changes necessary to achieve housing goals." TRPA contracted with BAE Urban Economics to prepare a regional housing needs assessment and policy evaluation, which were finalized in January 2014. Some of the key constraints and barriers to the development and preservation of low- and moderate-income housing in the Lake Tahoe Basin included the scarcity and high cost of land (due in part to the TRPA TDR system); TRPA policies and regulations (e.g., allocations, density, restrictions on second units, coverage, Best Management Practices, mitigation fees, etc.); and the complexity of the regional permitting system. Based on input from a Technical Working Group (TWG), BAE evaluated following five priority policies:

- Policies/a program for removing barriers to the redevelopment/transfer of old tourist accommodation units (TAUs) into low and moderate-income housing;
- Policies/a program for removing barriers to the redevelopment/transfer of mobile home parks into low- and moderate-income housing;

- The effects of allowing second residential units on smaller lots within one-quarter mile of designated town centers;
- Expanding the TRPA Code of Ordinances provisions to encourage the construction of low- and moderate-income housing for the Region's workforce; and
- The opportunity to remove other barriers and streamline the TRPA permitting process.

For a full review of BAE's recommendations regarding the TRPA housing program, please refer to the *Tahoe Regional Housing Needs Program Report: Needs Assessment Background Report and Priority Policy and Program Evaluation*, which is available on the TRPA website.[22]

Other Special Districts

In addition to the four governmental agencies/jurisdictions discussed above, there are more than 15 special districts located within the North Tahoe region. These include an assortment of school districts, fire districts, water districts, the airport district, etc. As recognized in the Town of Truckee Housing Element, many of these special districts are in possession of significant land holdings, which may provide opportunities for workforce housing development via public-private partnerships and subsidized land transfers and/or lease agreements. In addition, interviews with housing developers, as well as area residents and community leaders, identified impact fees charged by special districts as a barrier to workforce and affordable housing development, particularly within the Lake Tahoe Basin. Many of the applicable impact and connection fees, such as water and sewer impact fees, are applied on a per unit basis, with no distinction made based on unit size and intended occupancy levels. Therefore, larger housing units, targeted often toward the luxury second home market, pay less on a per square foot basis, compared to smaller more affordable units intended for occupancy by area workers or full-time residents. While some districts apply fees on a per square foot or per fixture basis, or offer opportunities for fee reductions, such as in the case of the Truckee Donner Recreation and Park District, many continue to assess fees on a per unit or flat-fee basis. As recommended in the TRPA Regional Housing Needs Program Report, transitioning away from a flat-fee structure toward one based on square footage, number of fixtures, or some other metric that recognizes differential impacts of larger versus smaller housing units, may help to remove a significant disincentive to affordable and workforce housing development in the region.

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[22] To access the *Tahoe Regional Housing Needs Program Report*, please visit: http://laketahoesustainablecommunitiesprogram.org/wp-content/uploads/2014/06/Final_Tahoe_Regional_Housing_Needs_Program_Report-5_28_2014.pdf

EMPLOYEE AND EMPLOYER SURVEY RESULTS

As part of this research, BAE administered two surveys intended to ascertain the characteristics and needs of workforce households, as well as identify the ways in which the region's businesses are both impacted by, and responding to, current conditions in the housing market. Both survey instruments were primarily administered using the SurveyMonkey online platform, though options were provided for completing the survey in hard copy, over the phone, or in person at one of the region's Family Resource Centers (FRCs). Both survey tools were made available in both English and Spanish, and were administered between January and April of 2016. By the close of the survey period, a total of 1,627 unique individuals responded to the regional employee survey, with 353 unique respondents to the employer survey, for a total of 1,980 completed surveys. Of these, BAE received a total of 134 employee surveys that were completed in Spanish. However, some of the FRCs reported administering an unknown number of Spanish language employee surveys in-person, which were subsequently entered into the SurveyMonkey platform in English. Therefore, this research likely under reports the total number of Spanish survey respondents.

Employee Survey Results Summary

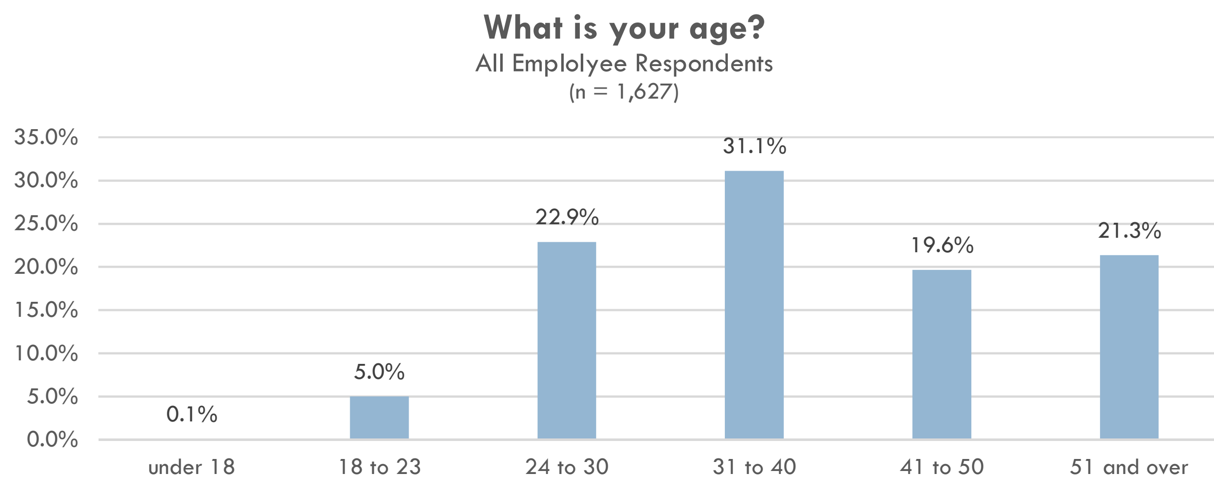
The following section highlights some of the characteristics of employee survey respondents, including age profile, household composition, live/work locations, income and employment characteristics, and stated housing preferences and needs. For a more complete summary of employee survey responses, please refer to Appendix C.

Employee Demographic Characteristics

Approximately 85 percent of the employee survey responses received were for workers that currently live within the Truckee North Tahoe region. Of the remainder, approximately 11 percent live in Nevada (primarily in Reno and the surrounding area), while 1.5 percent live elsewhere in Placer and Nevada Counties (outside the Study Area). Of those respondents that live within the region, approximately half live within the Town of Truckee.

As illustrated in Figure 10, the majority of respondents were aged between 24 and 40 years, with the most frequently cited age bracket being the 31-40 age group. The only communities with employee age distributions that differed significantly from the regionwide average include Tahoe Vista and Tahoma, where the most frequently cited age group was 41-50 years of age.

Figure 10: Employee Survey Respondents by Age Category



Source: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016.

In terms of household composition, employee households appear fairly evenly split between married and non-married households, which is consistent among most communities throughout the Study Area. The main exceptions to this include Soda Springs and Tahoma, where the married respondents accounted for closer to 60 percent of respondents. With an above average proportion of single-person households in the Study Area, it is not surprising that family households account for only around 30 percent of all employee survey respondents. While the majority of respondents live in two-person households, a small number of large households skews the average household size up to around 3.0 persons per household.

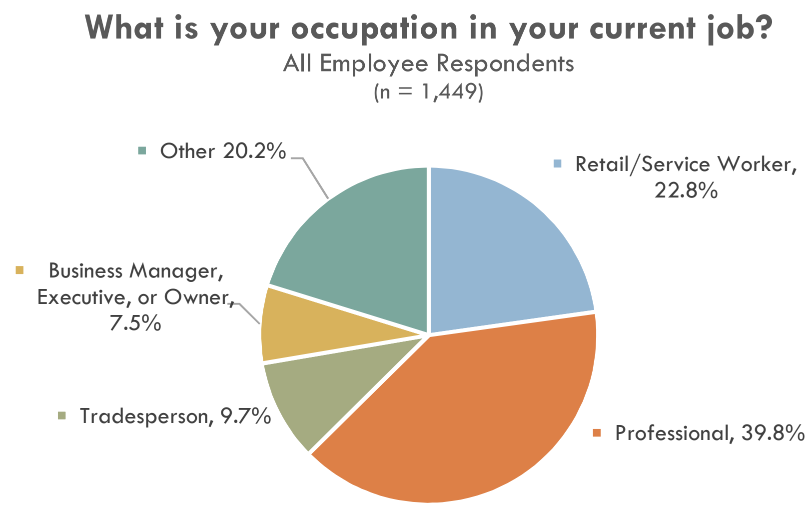
Resident Location vs. Work Location

As noted previously, around 50 percent of survey respondents live within the Town of Truckee. Other notable residence locations include Tahoe City (11 percent) and Kings Beach (11 percent). Conversely, 48 percent of survey respondents work in Truckee, with 18 percent working in Tahoe City and 16.5 percent working in Olympic Valley. Those workers who live in Truckee typically work in Truckee, though some also work in places like Tahoe City and Kings Beach. Workers that reside in Olympic Valley are more likely to work in Olympic Valley or Truckee. Roughly 15 percent of survey respondents reported commuting into the Truckee North Tahoe region for work, with almost 11 percent commuting in from Nevada and around four percent commuting in from elsewhere in California.

Employment and Income Characteristics

As illustrated in Figure 11, 47.3 percent of all employee survey respondents were employed in professional and business management occupations, with 22.8 percent working in retail and other service industries, 9.7 percent working as tradespeople, and 20.2 percent working in other, less clearly defined occupational categories. Some of the common occupational titles cited by respondents who categorized themselves as other include, but are not limited to, ski instructor, teacher, housekeeper, massage therapist, educator, and government employee, with many also indicating that they work in multiple fields. Approximately 65 percent of all employee survey respondents indicated that they hold more than one job. This proportion is much higher among workers who live within the region and lower among non-resident workers.

Figure 11: Employee Survey Respondents by Occupation



Source: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016.

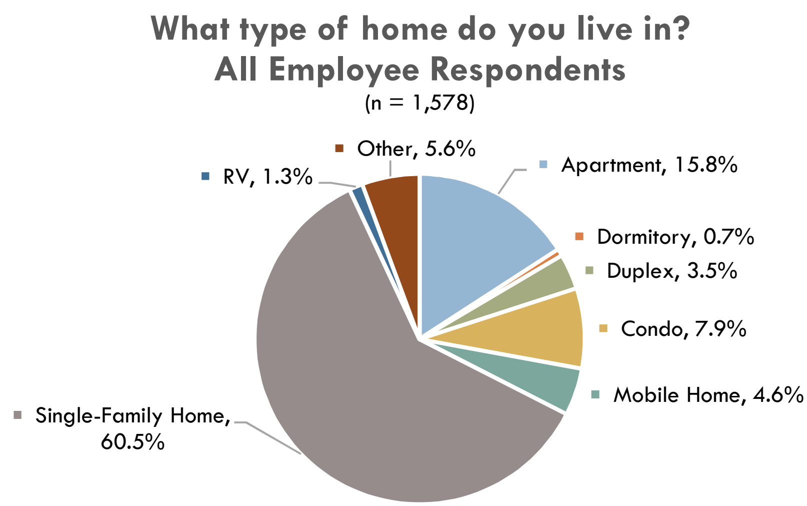
Based on a brief comparison with the HCD 2016 income limits for Placer and Nevada County, approximately 44 percent of all resident employee survey respondents may be considered lower-income, with around nine percent falling into the very low- and extremely low-income categories. Moderate income respondents, by comparison, accounted for around 37 percent.

Housing Preferences and Needs

Compared to the average Truckee North Tahoe resident, employee households are much more likely to rent their accommodations. Survey data indicate that renters account for approximately 60 percent of all area workers, with only 40 percent being homeowners. Among all resident households in the region, 64 percent own their homes, while 36 percent rent, as reported in Table 1. While the survey captured 189 seasonal workers (11.6 percent of all employee survey respondents), a total of 143 respondents (9.2 percent of all employee survey respondents) indicated that they do not consider their current home to be their permanent place or residence.

As illustrated in Figure 12, 60 percent of all employee survey respondents live in single-family homes, while 16 percent live in apartment, and eight percent in condos. Around six percent of respondents live in “other” type units which include in-law units and, in some cases, spaces that were not originally intended to be habitable (such as cars, garages, shed and tents). Comparison with the available Census data for the Study Area indicate that workers are much less likely to live in single-family housing units, compared to the general population. As noted above, 60 percent of employee survey respondents live in single-family homes, which is roughly 20 percentage points lower than the proportion of all Study Area residents who live in single-family homes. Workers are somewhat more likely to live in condominium, mobile home, and duplex type units, as well as dormitories, RVs, and other non-traditional housing units.

Figure 12: Employee Survey Respondents by Type of Residence



Source: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016.

Approximately 56 percent of all employee survey respondents that live within the Study Area indicated that they live in units with three to four bedrooms, while 16 percent of resident employee survey respondents indicated that they live in units with four or more bedrooms. This is quite notable, since the majority of employee households include only two people, suggesting that many households likely occupy units that are larger than they need. The average resident employee survey respondent lives in a three-bedroom unit. Worker households that live outside the area also showed three-bedrooms as the average household size, though none reported living in units with more than five bedrooms. There were nine respondents located in Truckee and Tahoe City that reported living in units with between six and ten bedrooms.

Using an alternative method for defining overcrowding, based on a standard of no more than two residents per bedroom, overcrowded conditions are relatively common among respondents living in smaller units. Approximately 16 percent of respondents report living in a studio or one-bedroom unit, and almost 20 percent of those are considered overcrowded based on the above definition. Of those who reported overcrowded conditions, half reported accommodating three people per bedroom, while the remaining responses reported between four and nine people per bedroom. Over half (54 percent) of the reported overcrowded studio and one-bedroom units are located in Kings Beach, while the remaining are located in Truckee. Over half of these units are apartments, 15 percent are single-family homes and eight percent are mobile homes. Almost all respondents who reported living in an overcrowded studio or one-bedroom units are year-round residents. The survey identified 14 survey respondents who live in mobile home units that could be considered overcrowded, representing 19 percent

The median rental rate reported by employee survey respondents was $1,350 per month. This is consistent with the reported asking rents for one- and two-bedroom apartment units, as well as private long-term single-family rentals. The median mortgage payment for employee households that own their own homes was $1,845. This corresponds to an affordable sales price of approximately $279,960, which is considerably lower than the current median sales prices in nearly all communities throughout the region, as noted in Table 21 and Table 22.

Recognizing the high cost of housing, a total of 1,040 of employee survey respondents (77 percent) that live within the Study Area reported paying greater than 30 percent of income to housing, with 425 respondents (32 percent) reporting that they pay more than 50 percent of their income to housing costs. Interestingly, 119 respondents (10 percent) living in the Study Area said they are currently on wait list for market rate and affordable housing, and/or ownership assistant programs. Of those on waitlists, 43 respondents (36 percent) are on waitlists for market rate rental housing, 58 respondents (49 percent) are on waitlists for below market rate rental housing, 19 respondents (16 percent) are on waitlists for below market rate for-sale housing and/or home owner assistance programs.

Employee Housing Preferences and Unmet Needs
Approximately half of the employees surveyed as part of this research indicated that they were generally satisfied with their current housing situation, while 37 percent indicated that they were “somewhat satisfied” and 16 percent indicated that they were “unsatisfied”. The most frequently cited reasons for being less than satisfied include:

- The need for housing that is more affordable;
- A desire for a home that is in better condition or which has features that better suit their needs:
- The desire to purchase a home (for those who are currently renting); and
- The desire to secure a unit that is larger and better suited to the needs of their family/household.

The most frequently cited reason that employees who live outside the Truckee North Tahoe region were unsatisfied with their current housing situation is because they want to move into the Truckee North Tahoe area (86 percent), whereas, only 20 percent of residents who work outside the region said they want to move closer to their jobs. Workers living outside the region also cited affordability and quality of available housing as reasons for dissatisfaction

In terms of the primary barriers to securing housing, both renters and owners appear to face similar issues. According to survey respondents, the primary challenges to securing rental housing include:

- Unaffordable rent;
- Inability to afford the security deposit;
- Inability to find year-round housing;
- Difficulty finding housing for people with pets;
- Challenges finding roommates; and
- Poor quality/poorly maintained housing.

By comparison, the primary challenges identified by survey respondents with regard to securing for-sale housing include:

- Lack of affordability;
- Lack of sufficient down payment; and
- An inability to find a suitable home

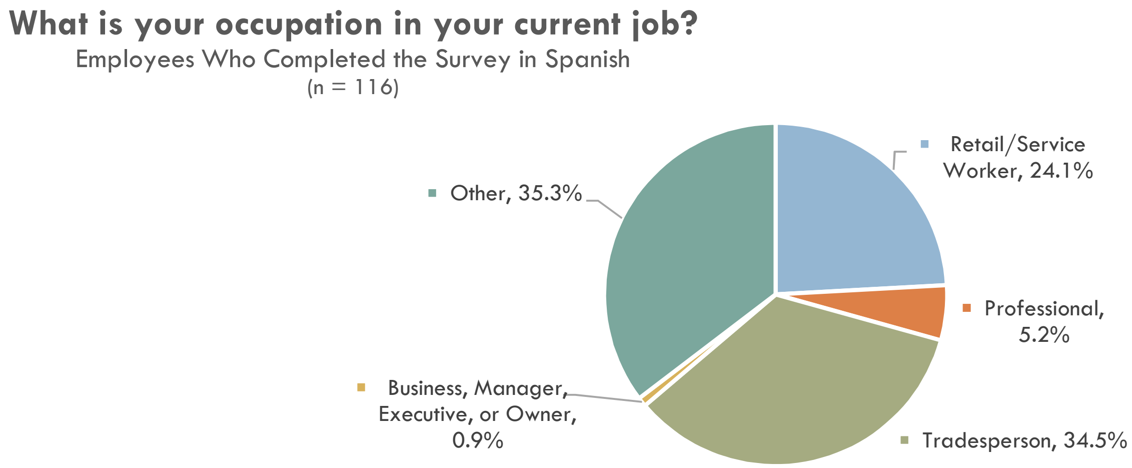
Characteristics of Spanish Speaking Respondents

BAE received a total of 124 surveys that were completed in Spanish, representing 8.2 percent of all of the completed employee surveys; however, since some of the Spanish language surveys were entered into the survey tool in English, this likely represents lower-end estimate only. The characteristics described here reflect the attributes of only a portion of the Spanish-speaking survey respondents and, similarly, cannot be assumed to reflect the characteristics of the entire Hispanic and Latino community within the Truckee North Tahoe region.

According to the available survey data, Spanish language respondents were generally somewhat older than the other employee survey respondents, with the majority falling into the 31 to 40 and 41 to 50 age categories. Spanish language respondents were also much more likely to be married and live in family households, compared to their English language counterparts, with 70 percent being married and 82 percent living in households with at least one child under the age of 18.

As illustrated in Figure 13, the most common occupation among Spanish speaking respondents include tradesperson (35 percent), retail and service worker (24 percent), and other (35 percent). Occupations commonly referenced in the “other” category primarily include assorted lower-wage service positions, such as housekeeping and food service. Less common occupations include professional (five percent) and business oriented (0.9 percent) occupations. Around 80 percent of respondents had more than one job and nearly 87 percent can be considered lower-income, based on a comparison with the 2016 HCD income limits.

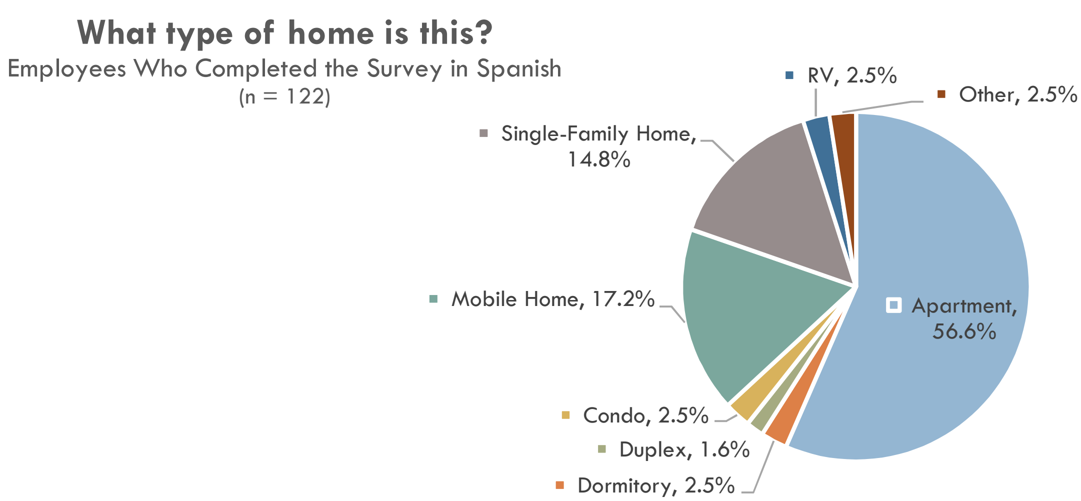
Figure 13: Spanish Language Employee Survey Respondents by Occupation



Source: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016.

The majority of all Spanish speaking employee respondents (around 87 percent) reported renting their accommodations, with 57 percent living in multifamily apartments. A total of 17 percent live in mobile home units, while just less than 15 percent live in single-family homes.

Figure 14: Spanish Language Employee Survey Respondents by Unit Type



Source: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016.

Employee respondents who completed the Spanish language survey were much more likely to live in overcrowded conditions. Most respondents live in households with five or fewer residents, though 12 percent indicated that they live in households with between six and ten persons. With an above average household sizes and a greater likelihood of being lower-income, respondents to the Spanish language survey are not only more likely to live in overcrowded conditions, but also to over pay for housing. The data indicate that 84 percent of these respondents pay more than 30 percent of income to housing, while 43 percent pay more than 50 percent. This is despite paying lower median rental rates and mortgage payments compared to all employee respondents, with a median rental rate of $980 per month and a median mortgage payment of $989 per month. Subsequently, these respondents were more likely to seek assistance, with 31 percent reporting that they are on wait lists for market rate housing, affordable, housing and/or homebuyer assistance programs.

Among Spanish speaking respondents, only 31 percent were satisfied or very satisfied with their current housing situation, while 50 percent indicated that they were somewhat satisfied and 19 percent said they were unsatisfied. Overall, Spanish speaking employee survey respondents reported being less concerned about buying a home, and more concerned with affordability, finding a larger home that fit the needs of the immediate family, and finding a home in better condition or that has features that better suited their needs. These respondents also identified a greater likelihood that they would locate housing based on word-of-mouth or through a for-sale or for-rent sign, rather than through an online listing, a realtor, or a property management company.

Employer Survey Results Summary

The following is a summary of the Employer survey responses. This section begins by analyzing general trends of all business responses, and then compares the responses of resident-serving businesses and visitor-serving businesses, respectively. For a more complete summary of employer survey responses, please refer to Appendix D.

Summary of Business Characteristics

Of the 356 responses to the employer survey, 56 percent were located either within the Town of Truckee, or in the immediate vicinity. The second largest concentration of respondents was in Tahoe City, which accounted for 17 percent of all employer survey respondents. Other notable concentrations of employer survey respondents include Kings Beach (5.7 percent) Olympic Valley (4.5 percent), and Tahoe Vista (3.3 percent). See Table 36 for additional details.

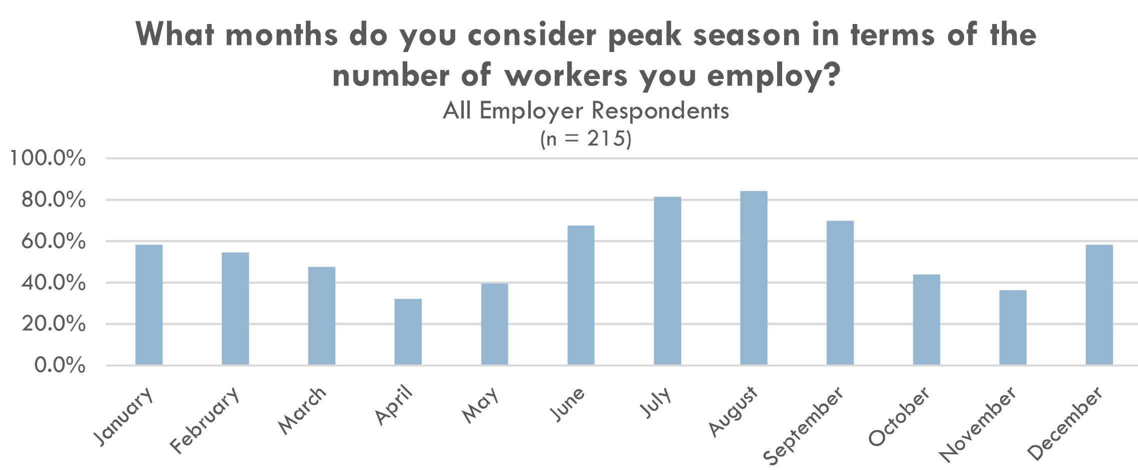
Table 36: Employer Survey Respondents by Workplace Geography

Zip Code	Community	Responses	Percent
95724	Norden, CA	3	0.9%
95728	Soda Springs, CA	6	1.8%
96111	Floriston, CA	0	0.0%
96140	Carnelian Bay, CA	5	1.5%
96141	Homewood, CA	3	0.9%
96142	Tahoma, CA	8	2.4%
96143	Kings Beach, CA	19	5.7%
96145	Tahoe City, CA	57	17.1%
96146	Olympic Valley, CA	15	4.5%
96148	Tahoe Vista, CA	11	3.3%
96160	Truckee, CA	7	2.1%
96161	Truckee, CA	178	53.3%
96162	Truckee, CA	4	1.2%
Subtotal, Study Area		**316**	**94.6%**
Subtotal, Outside Study Area		**18**	**5.4%**
Total, All Responses		**334**	**100%**

Sources: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employer Survey, 2016.

For most survey respondents, there are two peak employment seasons. The winter season typically spans from December through March, while the peak summer employment season spans July and August. While the employment figures discussed previously indicate that the winter season offers the greatest number of employment opportunities, it appears that this is likely due to activities associated with the major ski resorts, which hire large numbers of seasonal workers. According to the data illustrated in Figure 15, the summer represents peak employment season for a large number of smaller employers, representing a diverse array of business concerns.

Figure 15: Number of Businesses by Peak Employment Season



Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

Table 37 reports the distribution of employer respondents by broad business category. Generally speaking, around 60 percent of employer survey respondents work in predominantly resident serving industries, such as Natural Resources and Construction, Business or Professional Services, etc. The remaining 39.6 percent work in visitor serving industries, such as Consumer Retail or Services, Restaurants, Hospitality and Entertainment, and Recreation.

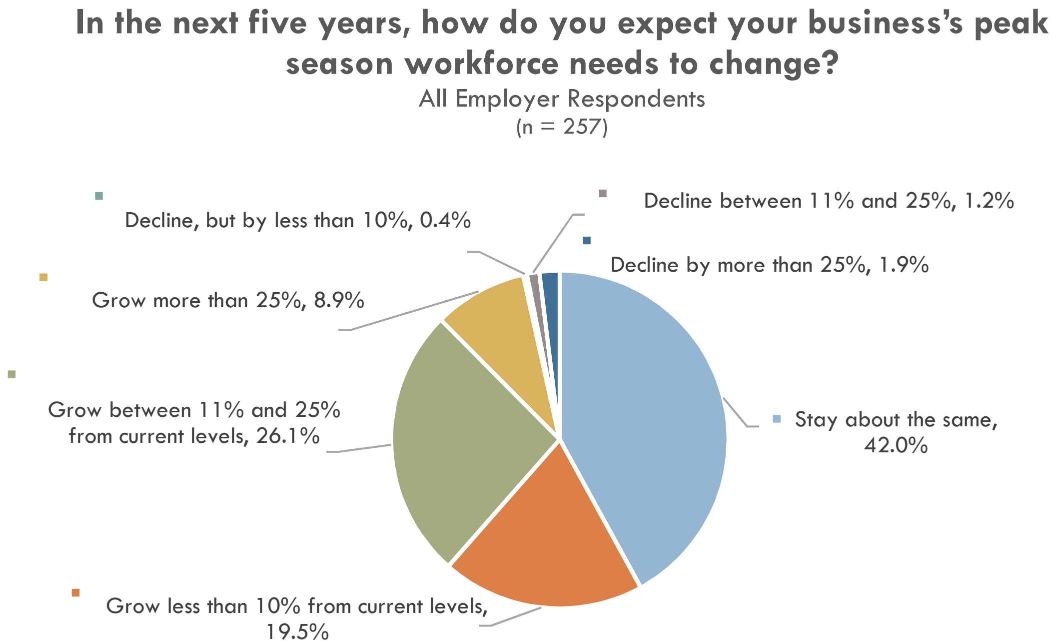
Table 37: Employer Survey Respondents by Business Category

Business Type	Responses	Percent
Agriculture or Forestry	2	0.6%
Natural Resources, Mining, Construction	27	7.7%
Manufacturing	3	0.9%
Transportation or Utilities	6	1.7%
Wholesale Trade	2	0.6%
Consumer Retail or Service	43	12.3%
Restaurant	24	6.8%
Hospitality and Entertainment	37	10.5%
Recreation	35	10.0%
Warehouse/Distribution	0	0.0%
Business or Professional Services	54	15.4%
Finance, Insurance, Real Estate	45	12.8%
Healthcare/Medical	12	3.4%
Education	9	2.6%
Government	14	4.0%
Other:	38	10.8%
Non Profit	16	4.6%
Total, All Responses	**351**	**100%**
Blanks	2	
Total, All Respondents	**353**	

Sources: Truckee North Tahoe Regional Workforce Housing Needs Survey, Employer Survey, 2016.

Employee survey respondents are fairly optimistic regarding their future economic prospects, with 54 percent anticipating that their workforce needs will grow over the next five years, while 8.9 percent expect their labor needs to grow by more than 25 percent. The largest single group (42 percent) expect their labor needs to remain about the same. Only 3.5 percent of respondents indicate that they expect their labor needs to decrease in the near term.

Figure 16: Employer Survey Respondents by Labor Demand Growth Expectations

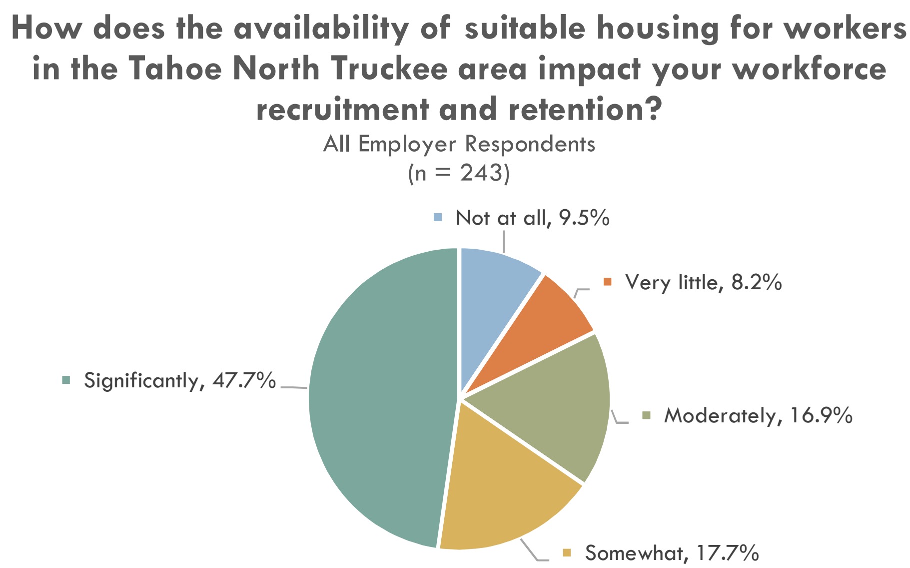


Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

All businesses reported the majority of their employees are year-round residents, and that college age workers, semi-retired persons and workers from outside the United States (J-1's) comprise the remainder of the work force. Approximately 68 percent stated that year-round residents comprise the majority of their employees, and 32 percent of all respondents said that college age U.S. workers comprise up to 50 percent of their employees. Nearly 12 percent of all respondents stated workers from outside the Unites States comprise up to 25 percent of their employees; 12 percent said that semi-retirees comprise less than 25 percent of their employees, and 1 percent said farmworkers during their off-season comprise less than 25 percent of their workforce.

As illustrated in Figure 17, 82 percent of all businesses reported that availability of suitable housing for workers in the Truckee North Tahoe region impacted their workforce recruitment and retention, with approximately 48 percent reporting it impacts their business "significantly." This sentiment is consistent among every industry sector, regardless of whether or not their clientele are predominately residents or visitors; however, how strongly the respondent agreed varied by industries. Generally, the Hospitality and Healthcare industry respondents most strongly agree the availability of housing "significantly" impacts workforce recruitment and retention, while the Finance and Real Estate and Retail industries respondents were less likely to respond that the availability of suitable housing impacts workforce recruitment and retention "significantly," and were somewhat more likely to respond that it impacts their business "somewhat" or "moderately."

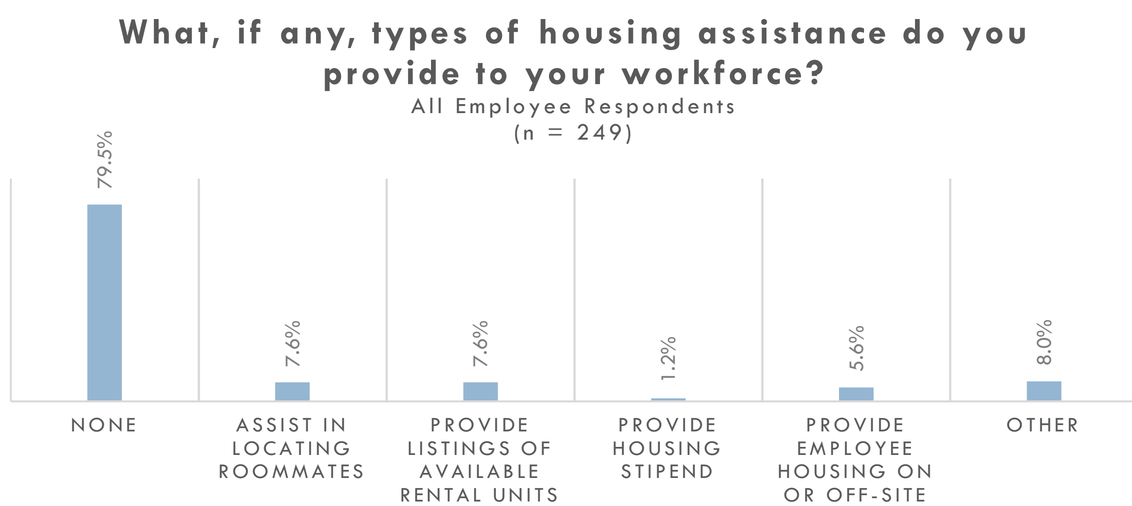
Figure 17: Impact of Housing Availability on Worker Recruitment and Retention



Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

Very few businesses reported providing any type of housing assistance to their employees. Approximately 80 percent of all respondents do not provide any type of housing assistance to their work force. Approximately eight percent of all respondents provide listings and assist in locating roommates. Approximately six percent of all respondents provide housing, either on-site or off-site, for their employees.

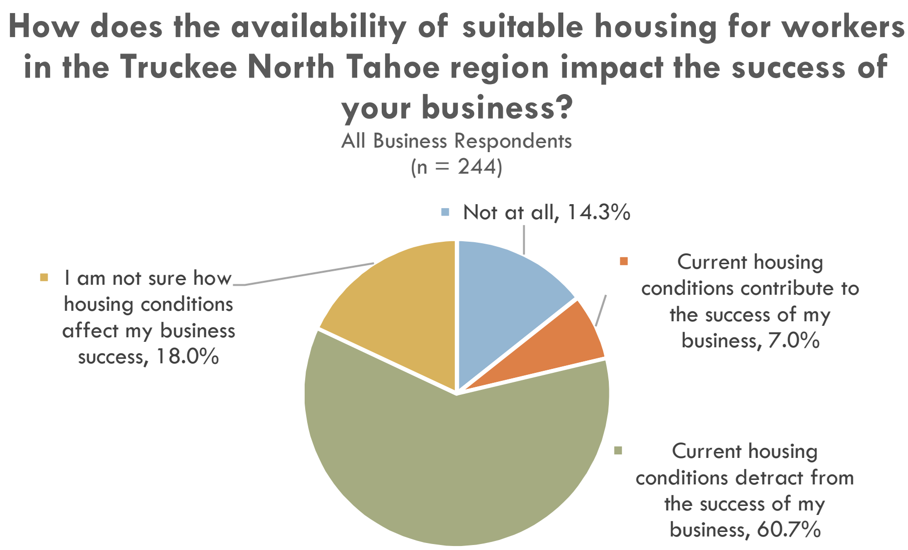
Figure 18: Employer Housing Assistance Provided



Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

The majority of all businesses who responded said the availability of suitable housing for workers in the Truckee North Tahoe area negatively impacts the success of their business. Approximately 61 percent of all respondents report that the current housing condition detract from the success of their business, while 7 percent say it contributes to the success of their business. Generally, Recreation and Restaurant industry respondents most strongly agree the availability of housing impacts the success of their business, while the Business and Professional Services and Finance and Real Estate industries least strongly agreed.

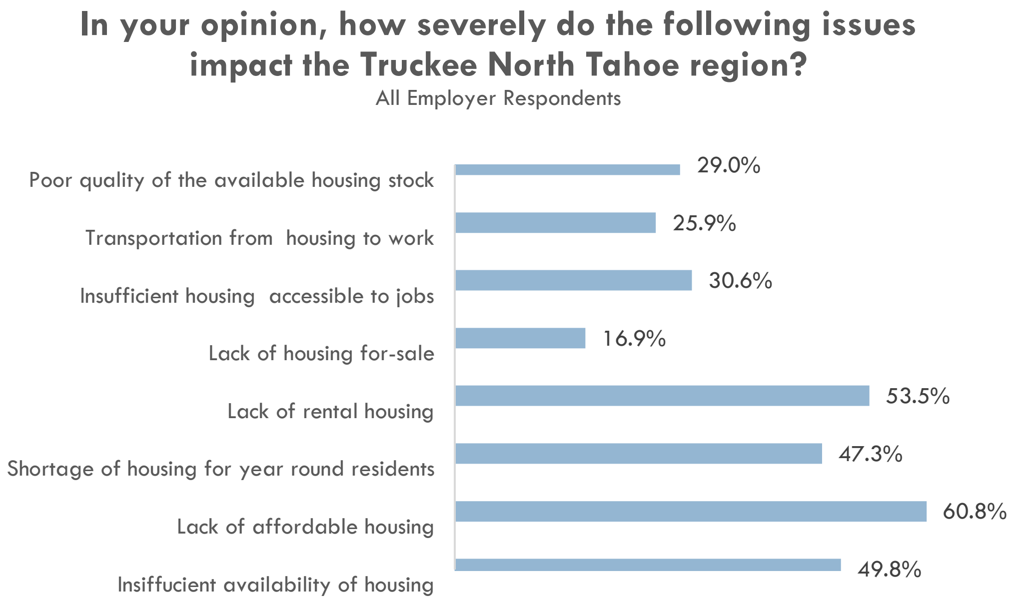
Figure 19: Impact of Housing Availability on Businesses



Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

Almost all businesses responded that lack of affordable housing, lack of rental housing, insufficient availability of housing (both ownership and rental), and shortage of housing for year-round residents are the issues most severely impacting the availability of housing in the Truckee North Tahoe area. With the exception of the Education industry, these are consistently the top four issues identified by employers in all industry sectors, regardless of whether or not their clientele are predominately residents or visitors. Businesses responded that housing in areas that are accessible to jobs, transportation options to get workers from available housing to work, and the poor quality of the available housing stock are less immediate, but are still significant issues in the Study Area. Respondents ranked the lack of for-sale housing as the least significant issue.

Figure 20: Significant Housing Issues by Level of Severity



Source Truckee North Tahoe Regional Workforce Housing Needs Survey, Employee Survey, 2016

OUTREACH AND PUBLIC PARTICIPATION

In addition to the local employee and employer surveys described in the previous section, TTCF coordinated an extensive community outreach and public participation program, which included a series of five public forums, including informational presentations and community storytelling, as well as the formation of a Technical Advisory Group that provided ongoing input and direction for the study. TTCF also organized and recruited participants for three focus group sessions that were then facilitated by BAE Urban Economics. In addition, TTCF coordinated with a variety of local and regional media outlets to help disseminate information and build awareness around the issues and the study, as well as its objectives and process.

Organizer/Convener

TTCF was the lead organization overseeing the Study. TTCF utilized one of its programs, the Community Collaborative of Tahoe Truckee (CCTT), to facilitate meetings, engage partners and advise on outreach. TTCF contracted with CCTT's Coordinator to act as Project Manager.

Resource Partners

The funding from Placer County, Nevada County, the Town of Truckee and the Workforce Housing Association of Truckee Tahoe made this the first truly regional housing needs study for the Truckee North Tahoe region.

Technical Advisory Group (TAG)

A Technical Advisory Group (TAG) was responsible for developing the project's Scope of Work, gathering background information and directing the work of the Project Manager. The TAG consisted of representatives from Tahoe Truckee Community Foundation, Town of Truckee, Placer and Nevada Counties, Workforce Housing Association of Truckee Tahoe, Community Collaborative of Tahoe Truckee, Family Resource Center of Tahoe Truckee, North Tahoe Family Resource Center, and Contractors Association of Truckee Tahoe. The TAG met five times throughout the course of the Study. For TAG meeting minutes, please refer to Appendix E.

Stacy Caldwell, CEO, Tahoe Truckee Community Foundation

Craig Lundin, Board Chair, Tahoe Truckee Community Foundation

Teresa Crimmens, Executive Director, Family Resource Center of Truckee

Breeze Cross, Founder, Workforce Housing Association of Truckee Tahoe

Yumie Dahn, Assistant Planner, Town of Truckee

Pat Davison, Executive Director, Contractors Association of Truckee Tahoe

Cathy Donovan, Housing Specialist, Placer County

Brian Foss, Planning Director, Nevada County

Maggie Hargrave, Program Coordinator, Family Resource Center of Truckee

Amy Kelley, Executive Director, North Tahoe Family Resource Center

John McLaughlin, Community Development Director, Town of Truckee

Sara Schrichte, Project Manager, Tahoe Truckee Community Foundation

Alison Schwedner, Director, Community Collaborative of Tahoe Truckee

Paul Thompson, Assistant Director of Planning, Placer County

Community Outreach Partners

Outreach partners worked to create engagement in the Study and participation in surveys, focus groups and forums. In addition to the outreach partners listed below, multiple agencies and individuals shared information about the surveys and the forums through social networks and online media. This community outreach portion of the Project added significant support and depth to BAE's data analysis.

Community Collaborative of Tahoe Truckee (CCTT)

The Community Collaborative of Tahoe Truckee (CCTT) is a program of the Tahoe Truckee Community Foundation. The Collaborative consists of 45 Tahoe-Truckee social service agencies and nonprofits who work toward collective impact on the issues of economic well-being, health and education. The CCTT's partnership was designed to educate and engage the agencies and organizations that serve community members and facilitate the Study's forums and meetings. CCTT's January 2016 monthly meeting was the first forum of the Study, kicking off outreach efforts with a format that combined storytelling with data and small group discussions.

Family Resource Center of Truckee (FRCoT)

The Family Resource Center of Truckee joined the Outreach team, agreeing to promote and provide speakers and content for forums, and provided Spanish language assistance to community members wishing to participate in the surveys.

In March, the FRCoT conducted two Spanish language forums at their site and collected approximately 125 survey responses through targeted outreach efforts of staff and volunteers. Staff noted that the survey responses were collected through face to face interviews between Family Resource Center volunteers or staff members and community members. Often these interviews were conducted in Spanish, with the data entered into the English language online survey tool.

Among the community members who attended FRCoT's forums, approximately 10 individuals were identified as potential focus group or storytelling participants and one person subsequently participated in a focus group.

North Tahoe Family Resource Center (NTFRC)

North Tahoe Family Resource Center (NTFRC) also agreed to provide targeted outreach in the Kings Beach/North Lake Tahoe area. In addition to providing content and speakers for forums, NTFRC conducted their outreach in conjunction with events and activities where NTFRC staff and volunteers had an established and trusted position among community members. These activities included a meeting of the Latino Leadership Council where a Spanish language housing discussion was conducted. The 10 attendees are all strong community advocates in the Kings Beach and surrounding communities. Attendees were tasked with distributing the employee and employer survey to at least two friends, neighbors, or family members.

NTFRC is co-housed at Community House in Kings Beach, along with Project MANA, a food security agency, and Tahoe SAFE Alliance, an organization that works to end domestic violence and sexual assault. NTFRC staff worked with staff at these agencies to conduct outreach and survey assistance at Project MANA food distribution sites and to identify community members who were interested in participating further in the Study. Staff estimates that 180 survey responses were collected, 136 of which were collected through existing programs.

Contractors Association of Truckee Tahoe (CATT)

In addition to providing technical guidance, the Contractors Association of Truckee Tahoe (CATT) conducted outreach to its partners, working closely with the Truckee Chamber of Commerce and the Tahoe Sierra Board of Realtors. CATT's efforts combined with the subsequent outreach of its partners were instrumental in driving participation in the employee and employer survey. CATT promoted the surveys and forums through the regular activities of the Association and worked with CATT members to propose storytellers and focus group participants.

Truckee Tahoe Community Television (TTCTV)

Truckee Tahoe Community Television (TTCTV) captured forums and storytellers on video. The final forum was streamed live online. Early footage was edited to create a 30-minute program that ran several times a week on public access television leading up to the spring forums. Storyteller presentations were edited and made available online, released through social media over several weeks.

Elevate Tahoe

Elevate Tahoe is a partnership between Tahoe Truckee Community Foundation, Moonshine Ink and SBS Mediahouse. Elevate Tahoe was engaged as a community outreach partner to collect a series of solutions-based videos that will educate and engage the community through the final stages of the Study.

Voices of the Community

A variety of community members were invited to share stories and perspectives on housing impacts and solutions. The individuals below each shared at one of the forums or presentations and their stories were captured on video and released online through TTCF.

Elizabeth Balmin, Program Director, Family Resource Center of Truckee

Breeze Cross, Founder, Workforce Housing Association of Truckee Tahoe

Theresa May Duggan, Kings Beach Community Organizer

Sandy Evans Hall, CEO, North Lake Tahoe Resort Association

Seamus Gallagher, Owner, Gallagher Construction

Morgan Goodwin, Vice Mayor, Town of Truckee

Cindy Gustafson, General Manager, Tahoe City Public Utility District

Pam Hobday, Chamber Board, Truckee Chamber of Commerce

Amy Kelley, Executive Director, North Tahoe Family Resource Center

Robert Leri, Superintendent, Tahoe Truckee Unified School District

Adam McGill, Chief of Police, Town of Truckee

Jennifer Merchant, Deputy CEO – Tahoe, Placer County

Clare Novack, United for Action

Alexis Ollar, Executive Director, Mountain Area Preservation

Ronald Parson, President/CEO, Granlibakken Tahoe

John Pillsbury, Senor Vocational Officer, California Department of Rehabilitation

Anne Rarick, Outreach Coordinator, Project MANA

Tom Skjelstad, General Manager, Donner Summit Public Utility District

Andrew Strain, Vice President, Vail Resorts, Inc.

Kristi Thompson, Vice President, MWA Architects

Duane Whitelaw, General Manager, North Tahoe Public Utility District

Press Coverage

From the beginning of the Study, TTCF committed to a multi-part print media series utilizing a regular TTCF column in the Sierra Sun. Moonshine Ink timed a print media series around housing to coincide with the Study and drew heavily from the stories and data that were being compiled. Reno Public Radio (KUNR 89.1 FM) picked up the story and created a series of stories highlighting Tahoe-Truckee and Reno-Sparks challenges. Reno's CBS television outlet (KTVN Channel 2) aired a story about the Study in May. For a full listing, refer to Appendix F.

Public Information Forums

In order to engage the community, two forums were held in the early stages of the Study, with three additional informational forums held in the later stages. The first two forums targeted community leaders and groups directly serving the public, while the later forums were designed for public participation across the Study area. The format was consistent across all forums, including a data-driven informational presentation, storytelling from community leaders, and small group activities. Formal translation services were provided at a forum in Kings Beach, although the only forum that ultimately had a Spanish speaking working group was held in Truckee. In addition to hosting the public forums, TTCF and CCTT presented data from the Study to Good Morning Truckee, a monthly event organized by the Truckee Chamber of Commerce. For a summary of the results of the workforce housing policy and program prioritization exercise, please refer to Appendix G. For a comprehensive set of sign-in sheets and demographics and media release forms, please refer to Appendix I.

Spanish Language Forums

The Spanish language public information forums were hosted by the FRCoT and NTFRC. Though forums were planned throughout the community and translation services were offered, the Study relied on the FRCs to provide a robust Spanish language discussion. A total of three forums were held in March. The FRCs translated the data presentation and presented it in Spanish, then facilitated a conversation about challenges and solutions. There were a total of 39 participants across the three Spanish language forums.

Focus Group Sessions

The three focus groups sessions were designed to solicit input from targeted community members to provide a more in-depth understanding of housing problems within the community, as well as solutions that have already been tried and those that would garner the greatest local support. A particular emphasis was placed on gaining a more in-depth understanding of the existing unmet needs of workforce households. TAG members were asked to recommend focus group participants. Invitations were also generated by survey respondents, and from the list of storytellers and early forum attendees. BAE moderated three in-depth focus group discussions in May 2016. The first focus group session focused specifically on the housing needs and preferences of local workers, with an emphasis on understanding the end-user perspective. The second focus group focused on understanding the challenges faced by employers of various sizes and across a variety of industries. The third focus group focused on the regulatory and programmatic approaches that local governments and related agencies have utilized, or would be interested in utilizing, to address workforce housing issues, with an emphasis on identifying what has worked, what has not, and what other tools are of interest. For more in-depth summaries of the information discussed during each of the three special issue focus groups, please refer to Appendix J.

WORKFORCE HOUSING DEMAND ESTIMATES

While the workforce housing demand estimates presented below were derived based on the best information currently available, they represent only a reasonable estimation of the existing unmet housing demand within the region and should be interpreted with caution. The estimates reflect demand originating from existing resident, non-resident, and seasonal worker households and, as such, illustrate the magnitude of the mismatch between the available housing stock within the region and the types of housing units that may best suit the needs of the region's workforce. As a result, the estimates should not be interpreted strictly as the number of new units that need to be built, but as the number of units that need to be "made available" in order to meet the needs of the workforce. For example, a portion of the estimated unmet demand for resident and seasonal worker households is based on the proportion of households within each household size and income category who reported to the Census Bureau that they lacked sufficient kitchen and sanitary facilities. The remainder of the estimated unmet demand for resident and seasonal worker households is based on the proportion of households within each household size and income category that reported overpaying for housing or living in overcrowded conditions. Therefore, a portion of the estimated unmet demand may be satisfied through programs aimed at residential rehabilitation, while additional unmet demand may be satisfied through programs targeted towards improving affordability within the existing rental and for-sale housing stock. Nonetheless, some portion of the identified unmet demand, notably the demand from non-resident in-commuter workforce households and households associated with new employment growth, must likely be satisfied through the development of new units. The degree to which the identified unmet need is addressed through these approaches will depend on the array of policies, programs, and other solutions put in place by the broader Truckee North Tahoe community.

Workforce Demand Estimation Method

In order to develop estimates of the unmet workforce housing demand within the Study Area, by income level and household and unit size, BAE employed a methodology that leveraged the robust demographic data available through the U.S. Census Bureau Public Use Microdata Sample (PUMS).[23] The PUMS data provide a sample of individual responses to the American Community Survey (ACS) for defined areas of 100,000 or more persons (Public Use Microdata Areas, or PUMAs), which allowed the creation of cross-tabulations of data not otherwise available in the published ACS data tables. At the time of analysis, the most recent ACS-based PUMS data available covered the 2010 through 2014 period. BAE then augmented the available PUMS data with information on seasonal fluctuations in employment using data from the Quarterly Census of Employment and Wages (QCEW) and the Census Bureau's Non-

[23] The Public Use Mircodata Sample (PUMS) provides a sample of individual responses to the American Community Survey (ACS) for defined areas of 100,000 persons or more (Public Use Mirodata Areas, or PUMAs).

Employer Statistics, as well as commute flow data collected from the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) dataset, which was further reinforced with survey response data for seasonal workforce households and workers who live outside of the Truckee North Tahoe area (i.e., in-commuter households).

As a first step, BAE identified the PUMAs that are containing the Truckee North Tahoe Study Area, with the exception of a very small portion of the Study Area in El Dorado County.[24] Once the area for the PUMS analysis was determined, the data set was analyzed using statistical software to generate frequency counts for resident workers by occupation. Next, each household was categorized by California HCD income category, based on household size, and a cross-tabulation of workers by HCD income categories was generated. Next, the data was adjusted to account for the smaller number of workers in the Study Area (as shown by published ACS data) relative to the PUMS analysis area; there were approximately 0.12 workers living in the Study Area for every worker in the PUMS analysis area. The worker occupation distribution for the PUMs analysis area was then compared to the same distribution for the Study Area, and each of 17 major categories was re-weighted by the same distribution for the Study Area, based on published ACS data for the Study Area.

An analysis of ACS data for CDPs in the Study Area indicated that on average, there were 1.6 workers per household for worker households in the Study Area. This factor was then used to adjust the worker distribution by HCD income category to generate the final estimate of year-round resident worker households in the Study Area,[25] by household size by income category.

BAE then estimated the number of seasonal workforce households living in the Study Area. This was done based on the total number of resident workers identified based on the PUMS analysis, which represents an annual average. BAE adjusted the total number of year-round resident workers downward, proportionate to the seasonal fluctuations in employment, to estimate the number of off-season resident workforce households, and upwards to estimate the number of peak season resident workforce households, based on QCEW and Census Non-Employer Statistics. The difference between these two estimates equals the total number of seasonal workers that live in the Study Area for only part of the year. To estimate the number of in-commuters, BAE applied the region's gross in-commuter rate, based on LEHD data, to the average annual resident workforce estimates generated in the PUMS analysis. BAE estimated the number of seasonal and in-commuter worker households by applying the same conversion

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[24] Because of the requirement for a minimum population of 100,000, the PUMAs extend beyond the Study Area; additionally, the PUMA boundaries shifted between 2012 and 2013. The PUMAs for 2010 through 2012 covered Nevada, Sierra, and Plumas Counties, as well as most of Placer County except for some areas close to Sacramento. For 2013 and 2014, the PUMAs covered Nevada County and a portion of Placer County excluding areas near Sacramento, but a larger area was excluded. Even though a small portion of the Study Area is in El Dorado County, that county was excluded since the PUMA covered the entire county, and it was believed that the County data would thus not be as representative of that small portion of the Study Area as the PUMAs described above.

[25] Resident workforce households are defined to include those resident households that contain at least one worker who is physically employed within the Study Area.

factor discussed above. The distribution of these households by household size and income level was then extrapolated based on employee survey response data for in-commuters and seasonal workers.

To estimate the anticipated housing demand generated by workforce households of all types, BAE made the simplifying assumption that each household would occupy the smallest available unit, while simultaneously avoiding overcrowding (i.e., more than two persons per bedroom, which represents an alternative to the more common HUD definition of more than one person per room). This analysis recognizes that many households prefer housing units that are larger than the minimum necessary to avoid overcrowding. However, in-so-far as housing affordability correlates with housing type and size, workforce households that are struggling to locate and secure housing without incurring an excessive housing cost burden will often need to occupy smaller units than might be ideal. The unmet resident workforce housing demand estimates were subsequently based on estimates of total workforce housing demand from year-round and seasonal resident worker households, multiplied by the proportion of households within each income category that experienced one of the four HUD defined housing problems between 2008 and 2012, as reported in the HUD Comprehensive Housing Affordability Strategy (CHAS) dataset. Unmet non-resident workforce housing demand estimates are based the proportion of in-commuter survey respondents who indicated that they would relocate to the Study Area if adequate housing options were available.

Unmet Workforce Demand Estimates

Table 38 reports estimates of the unmet workforce housing demand for year-round residents, seasonal residents, and in-commuter workforce households, which were generated based on the methodology described above. According to these estimates, there is an unmet need for approximately 12,160 housing units.[26] This includes demand for approximately 1,627 studio units, 4,009 one-bedroom units, 4,766 two-bedroom units, and 1,757 units with three or more bedrooms.

Roughly 42.4 percent of the unmet need, which is equal to around 5,154 units, comes lower-income households. Moderate income households account for approximately 20.6 percent of the unmet need, which translates into unmet demand for nearly 2,500 units. Above moderate income households account for 37.1 percent of the unmet need, which translates to around 4,507 units.

Roughly 56.4 percent of the unmet need (6,864 units) comes from non-resident workforce households. Note that this is based on an in-commuting rate of 58.6 percent, with 85.6 percent of in-commuter employee survey respondents indicating that they would be interested

[26] While there may be this many units available in the market currently, the results of the market analysis indicated that many of the available units do not fit the needs of workforce households, nor their ability to pay.

in moving into the Study Area, if adequate and affordable housing options were provided. Year-round resident workforce households account for 33.7 percent of the total unmet need (4,100 units), while seasonal resident households account for 9.8 percent (1,196 units).

If the region were to maintain its existing rate of in-commuting (i.e., not providing any additional housing to accommodate in-commuters who might otherwise choose to live in the region), the region would still need approximately 5,296 newly available housing units in order to fully meet its existing unmet workforce housing need. This would include roughly 684 studios, 1,864 one-bedrooms, 2,020 two-bedrooms, and 729 units with three bedrooms or more. Note, however, that some of the unmet seasonal demand, particularly for smaller households, may be also met with dormitory and other group quarters type housing options.

In addition, the available projections data indicate that the region may expect to add approximately 4,000 new jobs through 2030, which may translate to around 2,500 new workforce households. Unless significant action is taken, or significant numbers of units are added to the inventory, this projected employment growth may act to exacerbate the existing unmet need, as new workers take jobs in the area, but are unable to secure suitable housing.

For additional detailed tables reporting the year-round, seasonal, and in-commuter workforce household estimates and gross workforce housing demand estimates, refer to Appendix K.

Table 38: Unmet Workforce Housing Demand by Unit Size, Affordability Level, and Worker Type, Truckee North Tahoe Study Area

Unmet Year-Round Resident Workforce Housing Demand (a)

Income Category	Unit Size: Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	Total, All Units
Extremely Low Income (≤ 30% of AMI)	124	137	96	22	379
Very Low Income (> 30% ≤ 50% of AMI)	90	210	140	0	440
Low Income (> 50% ≤ 80% of AMI)	146	371	255	112	884
Moderate (> 80% ≤ 120% of AMI)	89	349	376	188	1,001
Above Moderate (>120% AMI)	59	512	631	195	1,396
Total, All Income Categories	**508**	**1,579**	**1,498**	**516**	**4,100**

Unmet Seasonal Resident Workforce Housing Demand (a)

Income Category	Unit Size: Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	Total, All Units
Extremely Low Income (≤ 30% of AMI)	57	29	130	57	274
Very Low Income (> 30% ≤ 50% of AMI)	53	32	97	86	269
Low Income (> 50% ≤ 80% of AMI)	11	79	157	45	291
Moderate (> 80% ≤ 120% of AMI)	19	65	75	9	168
Above Moderate (>120% AMI)	35	80	65	15	194
Total, All Income Categories	**176**	**285**	**523**	**212**	**1,196**

Unmet Non-Resident Workforce Housing Demand (b)

Income Category	Unit Size: Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	Total, All Units
Extremely Low Income (≤ 30% of AMI)	43	0	129	86	258
Very Low Income (> 30% ≤ 50% of AMI)	129	171	472	214	986
Low Income (> 50% ≤ 80% of AMI)	214	429	601	128	1,373
Moderate (> 80% ≤ 120% of AMI)	301	301	515	214	1,330
Above Moderate (>120% AMI)	258	1,244	1,029	386	2,917
Total, All Income Categories (b)	**944**	**2,145**	**2,746**	**1,029**	**6,864**

Worker Housing Demand, All Types

Income Category	Unit Size: Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	Total, All Units
Extremely Low Income (≤ 30% of AMI)	225	166	354	165	911
Very Low Income (> 30% ≤ 50% of AMI)	272	414	709	300	1,695
Low Income (> 50% ≤ 80% of AMI)	371	879	1,014	285	2,548
Moderate (> 80% ≤ 120% of AMI)	409	714	965	411	2,499
Above Moderate (>120% AMI)	351	1,836	1,724	596	4,507
Total, All Income Categories	**1,627**	**4,009**	**4,766**	**1,757**	**12,160**

Notes:

(a) Unmet resident workforce housing demand estimates are based on gross demand for year-round resident and seasonal resident workforce housing reported in Appendix K, multiplied by the proportion of households within each income category that experienced one of the four HUD defined housing problems between 2008 and 2012, as reported in the HUD Comprehensive Housing Affordability Strategy (CHAS) dataset.

(b) Unmet non-resident workforce housing demand estimates are based on gross demand for housing by in-commuters who indicated that they would relocate into the Study Area if affordable and adequate housing options were made available, reported in Appendix K.

Sources: Census Bureau, 2010-2014 American Community Survey, Public Use Microdata Sample, 2016; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2016; U.S. Census Bureau, Nonemployer Statistics, 2016; California Department of Housing and Community Development, Income Limits, 2016; Department of Housing and Urban Development, 2008-2012 Comprehensive Housing Affordability Strategy, 2016; BAE, 2016.

WORKFORCE HOUSING CASE STUDIES

The following section summarizes the results of in-depth case study research conducted by BAE regarding the diverse approaches to workforce housing development and preservation in resort and visitor-oriented communities throughout North America. BAE worked closely with the TAG to identify potential case study research targets. These included 10 communities located throughout North America, which have implemented workforce housing programs of various types, or which have utilized certain regulatory or financial instruments which are of interest for possible future implementation by stakeholders within the Truckee North Tahoe region. BAE then performed limited research on the programs and initiatives under way in each of the identified communities and reported back to the TAG with a brief summary of the initial research findings. The TAG then selected the four communities/programs that included regulatory tools, developer incentives, and financial mechanisms that are of the greatest interest for possible future implementation within the North Tahoe region. The four communities selected for in-depth analysis included Aspen and Pitkin County, Colorado; Jackson and Teton County, Wyoming; Mammoth Lakes, California; and Park City, Utah. Other communities included in the preliminary screening include Boulder, Colorado; the Rural Resort Region, Colorado; San Francisco, California; Sonoma County, California; Summit County, Colorado, and Whistler, British Columbia. BAE collected information regarding each community using an assortment of available secondary sources, as well as through interviews with knowledgeable local informant's, including representatives of local government agencies and non-profit organizations, residential real estate developers, and major employers. In order to facilitate review and comparison, Table 39 succinctly identifies many of the key characteristics associated with each case study research subject. For more information, please refer to the appropriate section below. Additional information is also available in Appendix L.

Table 39: Comparison of Case Study Research Subjects (Page 1 of 4)

Community Name	Aspen/Pitkin County	Boulder	Jackson/Teton County
State/Province	Colorado	Colorado	Wyoming
Marquee Program	Aspen/Pitkin County Housing Authority	Yarmouth Way Development	Assessment of Workforce Housing Provision and Management
Established	1988	2011-2012	2014
In-Depth Review	Yes	No	Yes
Key Program Components	Incremental program development; Combined income and resident restriction; Dedicated funding (sales and real estate transfer tax); Strict housing mitigation policies; Custom income categories and asset limits; Joint city-county housing program.	25-unit, mixed-income, homeownership development on 1.82 acres; Developed in partnership between for-profit and non-profit developers that minimizes public subsidy; Limited public commitment of housing in-lieu funds.	Assessed efficacy of workforce housing production; Evaluated governmental and non-governmental housing providers; Restructuring the Housing Authority; Make housing authority staff county employees; Coordinate greater involvement by the Town of Jackson.
Targeted Affordability	7 income categories that differentiate by household size and tenure; also uses a non-income restricted resident occupied category.	Deed-restricted housing units are targeted toward households earning between 69% and 109% of AMI.	Not applicable.
Program Outcomes	2,900 income and resident restricted workforce units.	15 market-rate and 10 deed-restricted housing units.	Housing Summit May 2015; Workforce Housing Action Plan November 2015; JTCHA established May 2016.
Replicability	Moderate	Moderate – High	Moderate
Limitations	Limited inter-agency coordination; Program focused on urban area; Existing transfer tax in Placer and Nevada counties.	Difficult to secure financing; Land costs and development rights in the Tahoe Basin make this approach more challenging.	Possibly driven by political motivations; Unclear how the reorganization will facilitate workforce housing production; Details of the reorganization still to be determined.

Table 39: Comparison of Case Study Research Subjects (Page 2 of 4)

Community Name	Mammoth Lakes	Park City	Rural Resort Region
State/Province	California	Utah	Colorado
Marquee Program	Mammoth Lakes Housing, Inc.	Workforce Housing Policies	Workforce Housing Resource Guide
Established	2003	Updated in 2015	2003
In-Depth Review	Yes	Yes	No
Key Program Components	Is non-profit housing agency; Reliant on local TOT and Sales Tax Revenue; Efforts focused on the Town of Mammoth Lakes, with limited involvement in surrounding areas; Strong housing mitigation policies; Restrictions on transient occupancy in residential districts.	Strict inclusionary/ housing mitigation requirements and local worker preference; Affordability calculated using the "workforce wage," but also using AMI; Use of limited developer incentives; Looking to develop more public-private partnerships.	Multijurisdictional collaboration between five Colorado counties; Selected workforce housing as the 2003 topic area; Published a resource guide for employers seeking to help address workforce housing issues.
Targeted Affordability	Rental programs target <80% AMI; Homeownership programs target <120% AMI.	Based on a "workforce wage" that roughly equals 60% AMI, moving toward a dual AMI based system.	Not applicable.
Program Outcomes	Developed or rehabilitated 189 deed-restricted housing units in Mammoth Lakes and 13 in neighboring areas.	497 deed-restricted housing units, with 80% rental and 20% ownership.	25 employers with housing benefits programs (as of 2003).
Replicability	Moderate – High	Moderate – High	High
Limitations	Political commitment to impose additional TOT and/or restrictions on transient occupancy.	Primarily local solutions focused on Park City; limited regional coordination.	Relies on voluntary participation by employers; Impacts may vary by employer.

Table 39: Comparison of Case Study Research Subjects (Page 3 of 4)

Community Name	San Francisco	Sonoma County	Summit County
State/Province	California	California	Colorado
Marquee Program	RAD Portfolio Conversion	Vacation Rental Ordinance	Workforce Housing Sales Tax and Impact Fee Program
Established	2014-2015	Updated in 2015	Approved in 2006; Expires in 2017
In-Depth Review	No	No	No
Key Program Components	Transitioned 4,575 units from HUD legacy programs to project-based Section 8; Leveraged $770 million in financing through Bank of American, including LIHTC and tax exempt bonds.	Established a county-wide ordinance limiting short-term rentals (i.e., less than 30 days) to certain zoning districts and creating compatibility performance standards to improve compatibility with adjacent uses.	Voter approved initiative authorizing a 0.125 percent sales tax dedicated to workforce housing only; Also established a county-wide impact fee on new development, but offers an alternative Real Estate Transfer Assessment of 0.33% due upon the second sale of the property.
Targeted Affordability	Very-low and low-income households.	Not applicable.	Rental programs target <60% AMI; Homeownership programs target <120% AMI.
Program Outcomes	Rehabilitation of up to 4,584 public housing units over three years.	County issued 912 vacation rental permits generating $5 million in TOT; The impact on the real estate market is unclear.	$9.0 million generated between 2008 and 2012.
Replicability	Low	Moderate	Low – Moderate
Limitations	Leveraged a limited program offered by HUD; Involved a very large number of legacy units; Leveraged Bank of America's Community Reinvestment Act obligations in an area with significant deposit activity.	Ordinances similar to those instituted in Sonoma County could be adopted, but would require public support and approval.	Required voter approval of a ballot initiative imposing the additional sales tax and in-lieu fee requirements.

Table 39: Comparison of Case Study Research Subjects (Page 4 of 4)

Community Name	Whistler
State/Province	British Columbia
Marquee Program	Whistler Housing Authority
Established	1997
In-Depth Review	No
Key Program Components	Goal of housing at least 75 percent of its workforce; Focus on offering “resident-restricted units without income limits; Became a community land bank as a result of the 2010 Olympics.
Targeted Affordability	Not applicable.
Program Outcomes	1,916 resident restricted and affordable housing units with 6,197 beds.
Replicability	Moderate
Limitations	Context (i.e., Canada) makes direct comparison difficult; Focus on resident restriction requires sufficient number of units; Leveraged resources of 2010 Olympics.

Aspen/Pitkin County, CO

Table 40: Community Characteristics, City of Aspen and Pitkin County, Colorado

	City of Aspen, CO	Pitkin County, CO	Truckee North Tahoe Study Area
Demographics			
Population	6,700	17,303	30,251
Households	3,149	7,357	11,802
Median Household Income	$66,635	$71,060	$67,079
Housing			
Median Rental Rate	$1,142	$1,242	$1,278
Median Home Sale Price (a)	$1,160,048	$696,000	$538,000 (b)
Economy			
Jobs in Region	10,402	16,514	15,825
Live Outside Region (c)	*73.7%*	*60.5%*	*58.6%*

Notes:
(a) Includes the median home sale price for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: Around 1974, the City of Aspen and Pitkin County established two independent housing authorities, in order to promote affordable housing development in the face of rapid urbanization and housing price appreciation. The community adopted the joint Aspen/Pitkin County Growth Management Policy Plan in 1976, which established annual building permit quotas to control the rate of private land development and to preserve the “physical and social environment.” The plan championed the “subordination of economic goals to broader quality of life goals.” In the early 1980s, the two housing authorities combined to form the Aspen/Pitkin County Housing Authority (APCHA), with the goal of better coordinating affordable and workforce housing policies, within the existing growth management framework. In addition to coordinating policy development the APCHA housing program also coordinates resource development necessary to subsidize the construction of workforce housing units. Further recognizing the impact of existing growth management policies on workforce housing availability, the 2000 and 2012 Aspen Area Community Plans attempted to balance the need for workforce housing with the maintenance of the community’s rustic character. These plans identify the goal of developing a certain number of workforce housing units within the core Aspen Village community, while advocating for a balanced regional approach that reduces pressures on the valley-wide transportation system and recognizes the pressure placed on “down-valley” housing markets. However, since adoption of the 2012 Aspen Area Community Plan, the political commitment to housing a specific percentage of the workforce within the local community has given way to a broader commitment that recognizes the myriad factors impacting household location choice.

Marquee Program: Aspen/Pitkin County Housing Authority

Date(s) Established: Pitkin County commissioners authorized $25,000 to fund a housing authority in October 1974, which then merged with the City of Aspen's housing authority in 1982. The organization was restructured to form the APCHA in 1988.

Program Overview: The APCHA housing program was established for the purpose of effecting the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects pursuant to a multi-jurisdictional plan to provide residential facilities and dwelling units at rental or sale prices affordable to low-, moderate- and middle-income households. In order to qualify for a deed restricted housing units managed by the APCHA applicants must:

Income qualify (see additional discussion below);
Work full-time in Pitkin County (1,500 hours or more per calendar year);
Occupy the unit as a primary residence (at least nine months per year);[27] and
Not own any other developed property in the Ownership Exclusion Zone (OEZ).[28]

Inclusionary Housing Requirements
The cornerstone of the Aspen/Pitkin County housing program is a set of affordable housing mitigation requirements tied to private sector land development. Under the City of Aspen Municipal Code, affordable housing mitigation requirements apply to all types of construction, including remodels.[29] In those cases where the remodel or redevelopment (including demolition) of an existing property results in a net increase in floor area, the mitigation requirement is based on the difference between the existing floor area and the proposed floor area. The mitigation requirement, including an in-lieu fee calculation, is based on a conversion to full-time-equivalent (FTE) employment, the ratio for which varies based on the size of the increase in floor area.[30] Compliance with affordable housing mitigation requirements can be satisfied through the construction of new units on-site, or off-site within the City of Aspen. Units can be constructed outside of the City of Aspen, but only following City Council approval.

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[27] Under no circumstances are renters or owners of deed restricted units permitted to lease those units for transient or short-term occupancy, such as through VRBO, Airbnb, or equivalent.
[28] The OEZ includes the area within five miles to the North and South of Interstate 70 between the communities of Rifle and Glenwood Springs. The OEZ does not include communities along State Route 82, including Carbondale, El Jebel, Basalt, Snowmass, and Aspen.
[29] City of Aspen. (2015). *Municipal Code* (Title 26, Part 400). Available at: http://www.aspenpitkin.com/Departments/Clerk/Municipal-Code/
[30] The purpose of the FTE calculation is to provide a universal metric by which all types of developments can be assessed, including remodels and the redevelopment of existing units. On average, 3,000 square feet of residential floor area equals approximately 0.45 FTE. Every 1,000 square feet of commercial floor area equals approximately 5 FTE (only 60 percent is mitigated).

Mitigation requirements may also be satisfied through the purchase and deed-restriction of existing housing units, the purchase of Affordable Housing Credits, or through the payment of an in-lieu fee. The in-lieu fee may be satisfied with either a cash payment, or the dedication of land or equal or greater value. In-lieu obligations may also be satisfied through the Credit Certificate Program, by which a developer can purchase credits equivalent to the free market value of an affordable housing unit.[31] Full compliance with all mitigation requirements is necessary before a building permit or certificate of occupancy will be issued. Employee housing mitigation under the Pitkin County Code functions in a similar manner, though mitigation is not required for new residential structures under 5,750 square feet.[32]

Dedicated Funding Sources

In addition to occasional General Fund allocations from both the City and County, the APCHA and its activities are funded through special tax measures and in-lieu fee proceeds. The APCHA receives no state or federal funding, with the exception of three existing housing projects which were funded using Low-Income Housing Tax Credits (LIHTC).[33] Within the City of Aspen, .45 percent of the City's sales tax revenue is set aside for housing and day care programs.[34] The City also levies a Real Estate Transfer Tax (RETT) of one percent, which is charged to all real estate transactions, excluding the first $100,000 in value.[35] [36] The APCHA is also partially funded through in-lieu fees levied on private sector developers that do not construct or otherwise dedicate affordable housing within their developments, as required under the inclusionary housing ordinances in place within both jurisdictions.[37] As of 2014, the Aspen sales tax generated approximately $1.0 million per year in housing funds, while the RETT generated roughly $6.0 million; along with other income sources, the City's Housing Administration Fund has averaged roughly $10 million annually.[38] While revenues flowing to the Housing Fund declined with the onset of the recent recession, the market recovered fairly quickly and revenues have subsequently returned to pre-recession levels.[39] [40] Pitkin County

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[31] Credits are created as new deed-restricted units are constructed, so long as they are not associated with any existing affordable housing mitigation obligation. The affordable housing developer is then free to sell those credits to market rate developers in satisfaction of the in-lieu requirement.
[32] Pitkin County. (2015). *County Code* (Title 8, Chapter 8). Available at: http://www.pitkincounty.com/468/County-Code
[33] Cindy Christensen, Aspen/Pitkin County Housing Authority, Personal Communication, April 5, 2016.
[34] Aspen/Pitkin County Housing Authority. (2015). *Aspen/Pitkin County Employee Housing Guidelines*. Available at: http://www.apcha.org/2015AdoptedGuidelines.pdf
[35] Ibid.
[36] The RETT has been renewed three times, most recently in 2001, and will remain in effect until 2040. State law now prohibits the establishment of new RETTs as funding sources in other communities, though legislation is currently under consideration would reauthorize their use.
[37] Aspen/Pitkin County Housing Authority. (2015). *Aspen/Pitkin County Employee Housing Guidelines*. Available at: http://www.apcha.org/2015AdoptedGuidelines.pdf
[38] The city's 105 Housing Administration Fund is predominantly set aside to assist with the development and preservation of affordable housing (i.e., construction).
[39] Cindy Christensen, Aspen/Pitkin County Housing Authority, Personal Communication, April 5, 2016.
[40] Due to the relative scarcity of land within the Aspen community and an up-market orientation, the Aspen housing market was largely insulated from the broader decline in the national housing market that occurred in late 2007 and 2008, with housing prices quickly exceeding pre-recession levels.

contributes to the joint housing program based on revenues generated by the Employee Housing Impact Fee.[41] [42] Pitkin County impact fee revenues typically average about $600,000 per year. The APCHA also charges fees directly to those receiving services, such as application and bid fees, listing fees, and transaction fees, among others. Also, each City department is required to contribute to an employee housing fund, which is set aside to cover capital and programmatic expenses for employee housing that is set aside specifically for use by City employees.

Income Categories and Asset Requirements
Because the community does not rely on state or federal funds for management of the housing program, the APCHA developed a unique method for calculating the income categories it uses to assess affordability. The APCHA defines eight separate income categories for use in the housing program. The income calculations account for the number of adult wage earners in a household and distinguishes between renter and owner occupied housing.[43] The baseline income categories were originally produced in 2002 and were generated using a difficult to replicate methodology that combined multiple data sources which are largely unavailable today.[44] Because the 2002 income categories would be difficult to update by replicating the prior methodology, the APCHA conducts an annual adjustment using the Consumer Price Index (CPI), which is subsequently capped at three percent annually. Based on a policy review conducted in late 2015-early 2016, the APCHA is considering the adoption of an AMI-based income calculation method.[45] While it is not possible to directly translate the current category system into the pre-defined HUD AMI ranges, the study recommends using AMI as the basis for new calculations that would define the eight income categories as a percentage of AMI. The stated rationales behind this transition include simplicity, transparency, ease of transition, portability (consistent with federal programs), and consistency with program goals.

Another important consideration is how the APCHA measures income and what assets qualifying program participants are allowed to possess. For units that have deed-restrictions requiring occupancy by a full-time resident (units in the RO category) there are no income caps, though the resident must demonstrate that at least 75 percent of income is earned

[41] Aspen/Pitkin County Housing Authority. (2015). *Aspen/Pitkin County Employee Housing Guidelines*. Available at: http://www.apcha.org/2015AdoptedGuidelines.pdf
[42] The purpose of the Employee Housing Impact Fee, known as a payment in-lieu in the City of Aspen, is to mitigate the impacts of development and land use to the employee housing stock.
[43] According to a 2016 policy study commissioned by the APCHA, the distinction between renter and owner was to account for "roommate situations in rentals and families in for-sale housing."
[44] Data sources used for the 2002 baseline income limits include: a housing survey of Pitkin County employees conducted in 1999; wage and employment reports published by the Colorado Department of Labor and Employment; U.S. Census Bureau data, including the Annual Expenditure Per Child report and the U.S. Flow of Funds Accounts report; and assorted HUD datasets.
[45] Navigate, Rees Consulting, WSW Consulting. (2016). Policy Study: Aspen/Pitkin County Housing Authority Affordable Housing Guidelines. Available at: http://www.aspenpitkin.com/portals/0/images/City/CommRelations/Newsletter/APCHA%20Final.pdf

within Pitkin County. For all other participants, the APCHA measures gross income, including maintenance and child support and those derived from a business, trust, employment, or income producing property, before deductions for expenses, depreciation, taxes, and similar allowances. While this is different than the federal standard, it does not offer any major gaps and responds to the challenges of measuring incomes of workforce households in resort based economies. Qualifying households are also subject to net asset limits established for each income category. The purpose of the asset limits is to test the applicant's need to purchase or lease a deed restricted home (e.g., identifying trust-fund recipients). Asset caps, like the income categories, were defined in 2002 and have not yet been updated beyond an annual CPI adjustment. The 2016 policy review indicates that the asset caps functionally disqualify approximately 36 percent of the employee households in Pitkin County and function as a disincentive to saving for retirement, college, and other similar expenses. These issues resulted in the APCHA reducing the amount of retirement savings counted in the asset calculation and allowing a portion of a household's assets to be counted as income (in order to help households qualify). Additional recommendations include removal of asset caps on deed-restricted units that are subject to appreciation limits at re-sale.[46]

Regional Housing Solutions

While the APCHA represents a combined jurisdiction, including both the City of Aspen and the remainder of unincorporated Pitkin County, closer evaluation of APCHA funding and expenditures indicates that a majority of the agency's activities are focused within the City of Aspen. According to the available estimates, revenues from the Aspen Housing Fund account for approximately 94 percent of the agency's overall budget, compared to only around six percent of funds contributed by Pitkin County. According to Deputy Director Cindy Christensen, the Aspen Housing Fund revenues are predominantly earmarked for use within the City limits on construction and rehabilitation activities. Throughout the history of APCHA, the City of Aspen has been focused on the development and preservation of housing resources within its boundaries, but is beginning to better understand the importance of coordination within the broader Roaring Fork Valley. Pitkin County, by comparison, has long understood the importance of collaboration and the concentration of urban uses within communities like Aspen. As the City of Aspen approaches buildout, new collaborative approaches are being discussed. Where prior policy statements have advocated for accommodating a specific percent of the Aspen workforce in other communities "down-valley," the 2012 Aspen Area Community Plan advocates for a more balanced approach that encourages greater affordable housing development in Aspen and its surrounding areas, helping to relieve some of the pressure being placed on housing markets "down valley" which represent important options

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[46] The perception is that the remaining restrictions would be sufficient to deter high-wealth households from seeking to purchase deed-restricted units, including limiting outside down payment assistance (i.e., parental gifts) at 20 percent, requiring that 75 percent of the household's income be earned in Pitkin County, and requiring that the primary owner work at least 1,500 hours locally.

for affordable home ownership while simultaneously easing pressures on the valley-wide transportation network and improving air quality.

Targeted Affordability Levels: APCHA divides employees into eight categories based on income and manages units that correspond to each of these categories. Maximum income limits for each category vary by tenure and the size of the household. For renter-occupied housing units, APCHA defines four income categories with maximum income limits ranging from as little as $35,000 for a single-person household in Category 1 to $252,000 for a three-person household in Category 4. For owner-occupied housing units, APCHA defines seven categories with maximum income limits ranging from $35,000 for a household with zero dependents in Category 1 to $208,500 for a household with three or more dependents in Category 7. For both renter- and owner-occupied, there is an additional eighth category for resident occupancy (RO) units, which has no maximum income limit, though net assets are limited to no more than $900,000.

What Results Have Been Reported from the Program? As of February 2016, APCHA oversaw roughly 2,900 income restricted workforce housing units, around 54 percent of which are ownership units, while 46 percent are rental units. These account for nearly twenty-two percent of the total housing stock within Pitkin County.

Lessons Learned:

- The single most important factor in the success of the APCHA program has been the strong grassroots support of the community and elected officials;
- An effective housing program does not have to rely on state or federal funding, though it does require the establishment of dedicated local funding sources, and the more funds made available, the more effective the program;
- The cornerstone of the APCHA approach is a set of comprehensive and enforceable inclusionary housing requirements that require all types of development (including renovations that add new floor area) to mitigate impacts;
- Housing mitigation requirements have not significantly impacted market rate housing development in Aspen and Pitkin County, which is primarily oriented toward the luxury second home market and can easily absorb the additional cost;
- A long history of requiring housing mitigation resulted in a shift in community expectations, so that some form of community housing benefit is expected whenever a new development project is proposed within the community;
- Implementation of the Affordable Housing Credits program is intended to incentivize more rapid workforce housing development by allowing deed-restricted units to be “banked” in satisfaction of future housing mitigation obligations, though its effectiveness has yet to be fully demonstrated;
- While the APCHA prefers the on-site development of workforce housing units, the scarcity of land and developer preferences are driving a move toward off-site development and the increased use of in-lieu fee options;

- While the APCHA is responsible for affordable and workforce housing construction, preservation, and management in both Aspen and Pitkin County, the majority of its funding and activities are focused within the City of Aspen;
- Though past Community Plans have encouraged the accommodation of up to 65 percent of the Aspen area workforce in communities located “down-valley,” that commitment has since softened;
- Additional community dialogue will be required to better understand how Aspen can coordinate with other “down-valley” communities to mitigate housing market impacts generated by overflow demand from Aspen workers while preserving those housing resources as more affordable alternatives to living in Aspen;
- Building housing outside of Aspen means that it must be open to workers from outside of Aspen (e.g., the host community), which is hard to justify if construction is funded using revenue from the Aspen sales tax and RETT.
- Defining income categories based on local conditions and needs has facilitated the management of workforce housing resources, but has also significantly increased the complexity of the Aspen/Pitkin County housing program;
- Moving to an AMI based income categorization scheme will simply the update process and allow for easier comparison with other peer communities and compatibility with state or federal housing programs;
- The only way to effectively preserve deed-restricted housing for future use is to consistently apply appreciation limits upon resale of the units produced through the program;
- Resident-only restrictions are useful when working to address housing needs for households with incomes that exceed the allowable restrictions, but who may still struggle to secure adequate and affordable housing;
- The assumption that mobile home units would not significantly appreciate if classified as resident-only (due to consumer preference) proved to be incorrect;
- For multifamily ownership units, Homeowners Associations must be trained to understand the importance of maintaining sufficient capital reserves and applicable housing policies should require reserves sufficient to cover ongoing maintenance and occasional capital improvements;
- The main focus should still be on providing housing options for lower income households, since higher income households have more options available

Comments on Replicability:

As identified through interviews with knowledgeable local informants, the relative success of the APCHA is attributable to a number of key characteristics, which have implications for the replicability of the APCHA model within the Truckee North Tahoe region. First, the APCHA relies on a policy framework that has been developed and refined incrementally over its 30-year history. Consequently, stakeholders in the Truckee North Tahoe region likely should not expect to achieve the same level of success over the short term. Despite this, the Aspen/Pitkin County case provides a valuable example of how incremental change, steadfast commitment, and dedicated funding can come together to provide much needed opportunities for workforce housing development and preservation.

The Aspen/Pitkin County program, with income categories that extend well above the moderate-income level addresses needs that are similar to those in the Truckee North Tahoe area, which also has workforce housing needs that extend beyond the moderate-income (120 percent of AMI) limit that is typical of most state or federal affordable housing programs. The findings regarding the effects of income-appreciation limits on affordable for-sale housing can be instructive to Truckee North Tahoe communities, where it will be important to ensure that affordable homebuyer programs strike a reasonable balance between the benefit to the homebuyer from obtaining a home at a below market cost and the limitations on equity appreciation. This should take into account the need to ensure there is sufficient economic incentive to homebuyers to maintain their home, so that if it is sold, it will be in sound condition for the next buyer.

According to key informants, likely the most important factor in the success of the APCHA has been the staunch support of the local community and elected officials. Testament to this are the robust housing mitigation policies in place within both jurisdictions. Further outreach and discussion will be necessary to determine whether a similar level of public support for these types of policies exists within the North Tahoe region. Similarly, informants also highlighted the RETT as key to the APCHA's success, as it combines with other funding sources to make available approximately $10 million per year in dedicated funding. The 1967 Transfer Tax Act authorizes cities and counties in California to levy a property transfer tax of up to $1.10 per $1,000 of value. Both Placer and Nevada counties already levy such a tax, which goes to fund existing local government activities. As a charter city, the Town of Truckee is authorized to levy a transfer tax at one-half the county rate. Other aspects of the APCHA program may be more readily replicable within the California context, such as the institution of strict housing mitigation policies and deed restrictions that limit occupancy to full-time residents (nine months per year). Given the current reliance on state and federal funding for workforce and affordable housing, the structure of the APCHA income limits may not be easily replicable within the North Tahoe region, though the community may want to consider using a hybrid method, based on AMI, that subdivides existing HUD-based income categories, which may be useful for administering workforce housing assets.

Jackson/Teton County, WY

Table 41: Community Characteristics, Town of Jackson and Teton County, Wyoming

	Town of Jackson, WY	Teton County, WY	Truckee North Tahoe Study Area
Demographics			
Population	9,967	21,956	30,251
Households	3,328	7,873	11,802
Median Household Income	$64,345	$73,572	$67,079
Housing			
Median Rental Rate	$1,069	$1,108	$1,278
Median Home List Price (a)	$1,150,000	n.a.	$538,000 (b)
Economy			
Jobs in Region	9,204	15,927	15,825
Live Outside Region (c)	*72.7%*	*41.6%*	*58.6%*

Notes:
(a) Includes the median listing price of for-sale housing units for 2015, as reported by Zillow. Comparable data for Teton County is unavailable.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: The Jackson/Teton County Comprehensive Plan, adopted in 2012, identifies the preservation and enhancement of the local quality of life as a common core value within the community.[47] As other resort communities in the Rocky Mountains have identified a contracting resident workforce as a primary indicator of their lost sense of community, the Jackson/Teton County Comprehensive Plan identifies the goal of ensuring that at least 65 percent of the local workforce is housed within Teton County. The Comprehensive Plan subsequently outlines a set of policies designed to help achieve this goal, including targeting housing subsidies toward full-time year-round workers, prioritizing the provision of housing for workers employed by critical local service providers, removing regulatory barriers to workforce housing provision, and diversifying the housing options available within the community, among other policies. In the interest of developing a "balanced set of tools" designed to meet the community's housing goals, Policy 5.4a directs the community to develop a housing implementation plan or key action plan.[48] [49] In accordance with the policy

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[47] Teton County. (2012). *Jackson/Teton County Comprehensive Plan*. Available at: http://www.tetonwyo.org/compp/topics/jacksonteton-county-comprehensive-plan/251817/
[48] Ibid.
[49] Town of Jackson, Teton County. (2015). Workforce Housing Action Plan. Available at: http://www.tetonwyo.org/compplan/Coordination/HsgPlan/Adopted_HAP_151118.pdf

directives established in the Comprehensive Plan, the Town of Jackson and Teton County conducted an Assessment of Workforce Housing Provision and Management, which was published in November 2014. Coupled with information collected through other research efforts dating back to 2007, the results of the workforce housing assessment were used to develop the Jackson/Teton County Workforce Housing Action Plan, which was released for public review following a regional housing summit held in May of 2015.

Marquee Program: Jackson/Teton County Housing Authority

Established: The Jackson/Teton County housing program was originally established in 1994 as part of the Jackson Teton County Comprehensive Plan. The 2012 Comprehensive Plan update recommended a re-evaluation of the workforce housing program. The Assessment of Workforce Housing Provision and Management was published in November 2014 followed by the Housing Action Plan in May 2015.

Overview: In May 2014, the Teton County Planning and Development Department issued a Request for Proposals to conduct an assessment of workforce housing resources, policies, and programs. The purpose was to evaluate the "efficiency and effectiveness of various housing providers" in the Town of Jackson and Teton County, including the Teton County Housing Authority (TCHA), the Jackson Hole Community Housing Trust (JHCHT), and Habitat for Humanity of the Greater Teton Area (HHGTA), as well as private and not-for-profit developers and major employers in the governmental, recreation, healthcare, retail, and education sectors. The assessment inventoried the existing workforce housing stock and evaluated workforce housing production pre-2007 and for the period from 2007 to 2014.[50] The assessment considered the average annual rate of production of workforce housing units, identified the actors responsible for that development, and evaluated the relative efficacy of workforce housing mitigation requirements and developer incentives. Key recommendations included the restructuring of the TCHA, the appointment of a workforce housing coordinator, establishment of a dedicated funding stream and monitoring survey, a systematic increase in allowable densities, creation of a program to create units in coordination with small employers, and identification of the need to seek creative solutions to seasonal rental housing shortages.

Use of Mitigation and Incentives Post-Recession

The 2007 Teton County Housing Needs Assessment found that prior to 2007, the production of affordable housing units averaged approximately 125 units per year.[51] The assessment concluded that in order to address excess demand for workforce and affordable housing, the community would need to create an average of 163 units per year through 2027. By

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[50] Teton County. (2014). *Assessment of Workforce Housing Provision and Management*. Available at: http://www.tetonwyo.org/compplan/Coordination/HsgPlan/Report_14WakeAssessment.pdf
[51] Teton County Housing Authority. (2007). *Teton County Housing Needs Assessment*. Available at: http://www.tetonwyo.org/compplan/Coordination/HsgPlan/Report_07NeedsAssessment.pdf

comparison, the 2014 Assessment of Workforce Housing Provision and Management determined that between 2007 and 2014, the Jackson/Teton County community produced approximately 108 units per year, which in addition to falling considerably below the identified need, represents a significant decline in housing production from the prior period.[52] In order to better understand the drivers of affordable housing production, the 2014 study evaluated the rate at which units were produced using each of seven workforce housing production tools. For example, pre-2007, approximately 52 percent of the workforce housing units produced in Teton County each year were the result of Town or County workforce housing mitigation requirements, while an additional 32 percent utilized some form of developer incentive. Only 16 percent of the workforce housing units produced before 2007 were the result of voluntary production by market rate developers or major employers. Between 2007 and 2014, only 21 percent of the workforce housing units produced were the result of workforce housing mitigation requirements, 11 percent utilized available developer incentives, and only seven percent were developed by the three major affordable housing providers in Teton County (i.e., HHGTA, JHCHT, and TCHA). The majority of units, around 38 percent, were developed on a voluntary basis by large employers. Note that the analysis evaluated the period from 2007 to 2014, which correspond with the onset of the most recent economic recession and a considerable slowdown in both residential and commercial development. The primary conclusion identified through this assessment is that the tools in place in Jackson and Teton County rely heavily on robust market rate residential and commercial development activity, which stalled with the onset of the recession and is hampered by rising land prices and an inability to increase densities in many areas, due to regulatory restrictions or community pushback. As a result, some major employers are taking responsibility to provide housing, though a majority of that housing has no long-term restrictions regarding affordability or occupancy or cost.

Restructuring the Housing Provider Delivery System

One of the primary outcomes of the 2014 assessment was the conclusion that the organizational framework for producing and administering affordable and workforce housing can, and should be, improved.[53] This was based on an assessment of each of the three major housing providers. Much of the focus was on the role of the Teton County Housing Authority (TCHA), which plays a lead role in the delivery and management of deed-restricted ownership and rental housing. The assessment determined that this was not consistent with common practice in most resort communities, where the incorporated communities (i.e., towns or cities) predominantly take the lead on workforce housing development and management. The TCHA was established in 1990 by Teton County in accordance with applicable state law. While the Teton County Board of Commissioners is charged with fiscal oversight (i.e., approval of annual budgets and housing projects), the TCHA is governed by an independent Board of Directors

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[52] Teton County. (2014). *Assessment of Workforce Housing Provision and Management*. Available at: http://www.tetonwyo.org/compplan/Coordination/HsgPlan/Report_14WakeAssessment.pdf

[53] Ibid.

appointed to five-year terms by the Board of Commissioners. The TCHA's primary mandate is to monitor and coordinate compliance with County commercial and residential mitigation requirements. The TCHA also manages funds generated by a one percent Specific Purpose Excise Tax (SPET) and other county funding for workforce housing. The direction of the TCHA is primarily established at the staff level, as the Board of Directors "does not have the collective skill set, diversity or experience that would enable them to provide clear direction to an agency undertaking significant land acquisition, development and administrative responsibilities in the delivery of workforce housing."[54]

While some in the broader Jackson/Teton County community considered it important to maintain the independence of the TCHA board,[55] the County Board of Commissioners has elected to restructure the TCHA to bring all TCHA staff under the direct supervision of the County (i.e., will become county employees) and to appoint a new Housing Director. Subsequently, a process is underway to establish a new joint regional housing authority, which will be renamed the Jackson/Teton County Housing Authority (JTCHA) as of May 1, 2016.[56] While the County Commissioners will be responsible for setting housing policy, the newly appointed JTCHA Board of Directors will be responsible for hearing appeals related to the day-to-day management of affordable and workforce housing units and will hold the assets and debt of the authority. The JTCHA board will not be responsible for planning or developing housing. Unlike in prior years, the Town of Jackson will now contribute a nominal sum to the JTCHA, which is primarily intended to offset costs associated with managing assets located within the town. Teton County will continue to contribute revenues generated through the one percent Specific Purpose Excise Tax (SPET) and is placing an initiative on the ballot to institute an additional one percent general use sales tax that will be provisionally allocated for uses relating to housing, transportation, and environmental stewardship. Other changes include the potential addition of a housing supply manager to the Teton County staff who would help to establish public-private partnerships, manage land purchases, and coordinate planning for affordable and workforce housing projects.[57]

As outlined in the Jackson/Teton County Workforce Housing Action Plan, additional steps to be taken in the near term (by July 1, 2016) include, but are not limited to:

- Establish the joint Jackson/Teton County Housing Authority;
- Hire the Housing Director and identify the Housing Manager;
- Appoint members to the new Joint Authority Board and Housing Supply Advisory Board;

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54 Ibid.
55 Keith Gingery, Town of Jackson, Personal Communication, April 1, 2016.
56 Cassutt, M. (March 15, 2016). Joint Housing Authority Formed. *Jackson Hole News and Guide*. Available at: http://www.jhnewsandguide.com/jackson_hole_daily/local/joint-housing-authority-formed/article_6ab96560-0a3c-502c-9625-2cd21c3978e0.html
57 Stacy Stoker, Teton County Housing Authority, April 1, 2016.

- Develop an initial 5-year Housing Supply Plan as part of the FY16-17 Budget;
- Continue to update zoning regulations, as outlined in the Comprehensive Plan, to provide opportunities for density and development of accessory residential units;
- Revise parking requirements to facilitate additional density in housing;
- Implement an expedited approvals process for price-restricted housing.

Targeted Affordability Levels: Not applicable.

What Results Have Been Reported from the Program? The results of the Assessment of Workforce Housing Provision and Management were presented at the Housing Summit held on May 20th and 21st in 2015 and incorporated into the Workforce Housing Action Plan adopted on November 2nd, 2015. The restructuring of the TCHA is underway and will result in the formation of the new joint regional JTCHA as of May 1, 2016.

Lessons Learned:

- There is a perception that the administration and inventory of workforce units must be harmonized into a comprehensive, consistent, and understandable program, preferably under one roof;
- The administration of workforce housing, and the process for accessing it, is inefficient and can be improved through consolidation of providers;
- Increasing the rate at which workforce units are produced and preserved may require a structural change and reorganization of the delivery system;
- The public and non-profit sectors risk spending more when they manage their own infrastructure and project construction;
- Dedicated funding is necessary to provide ongoing management of existing units, preservation of at-risk units, and the development of new resources;
- The main tools for workforce housing rely on strong residential development pressure, which stalled post-2007 due to a slow economy, increasing land costs, and the inability to achieve the necessary densities in most areas;
- Mitigation requirements (i.e., inclusionary housing requirements and in-lieu fees) work well during periods of strong growth, but yield few units during recessions when market rate development falls off;
- An accurate and up-to-date inventory of workforce housing units is critical to accurately assessing workforce housing need and for promoting preservation;
- Workforce housing preservation is recognized as an important issue, but very little is being done to address this long-term concern;
- With very little privately owned land in Teton County, the price of land is seen as the root cause of the workforce housing shortage;
- Although increasing densities in the Town of Jackson is critical, public opposition to

higher density “affordable housing” is recognized as a primary impediment;

- The AMI-based system of assessing affordability to lower- and moderate-income households is an impediment to the provision of ownership housing to middle-income workforce households;

Comments on Replicability:
From interviews with knowledgeable key informants, it appears that the reorganization of the TCHA may have been at least partially motivated by the desire of some members of the Teton County Board of Commissioners to have greater control over the development activities of the TCHA. This is seemingly associated with 1) a perceived desire to be seen as doing more to address affordable and workforce housing issues and 2) a belief that the TCHA was receiving insufficient financial oversight, particularly as it related to the organization’s development activities. Because of this, the conclusions reached through the assessment of workforce housing resources, policies, and programs may not be directly applicable to the Truckee North Tahoe context; however, the overall approach toward evaluating service provision based on the core competencies of the participating entities does offer an interesting template for evaluating service provision in a more holistic way that not only accounts for the capacity and core competencies of governmental agencies, but also the non-profit sector and private for-profit developers. Also, because the newly reorganized JTCHA was not formally established until mid-2016, it was unclear, as of this writing, exactly how the new joint agency will function. Based on the available information regarding the new organizational structure, it appears the agency will remain primarily under the control of Teton County, with considerably less representation/participation from the Town of Jackson, which is the opposite of most other case study communities that use a joint city-county approach.

The reliance in Jackson/Teton County on new housing production as the primary driver of the creation of housing that is accessible to the workforce is a limitation with respect to the challenges identified in the Truckee North Tahoe region, where there is a need to work on increasing the affordability of the existing housing stock and to take steps to preserve and enhance the existing stock of relatively affordable housing units that currently exist in locations such as Kings Beach. The Specific Purpose Excise Tax (SPET) and the proposed special sales tax are both examples of potentially powerful funding mechanisms to assist with workforce housing provision; however, it will be challenging to replicate these mechanisms, which are countywide in Teton County, in the Truckee North Tahoe region, where it would most likely be necessary to devise an approach to enacting sub-county level revenue measures in both Nevada and Placer Counties, which are not typical in California.

Mammoth Lakes, CA

Table 42: Community Characteristics, Town of Mammoth Lakes and Mono County, California

	Town of Mammoth Lakes, CA	Mono County, CA	Truckee North Tahoe Study Area
Demographics			
Population	8,154	14,193	30,251
Households	2,691	5,160	11,802
Median Household Income	$60,984	$61,814	$67,079
Housing			
Median Rental Rate	$1,144	$1,061	$1,278
Median Home Sale Price (a)	$326,763	$313,700	$538,000 (b)
Economy			
Jobs in Region	4,843	6,352	15,825
Live Outside Region (c)	*70.1%*	*51.7%*	*58.6%*

Notes:
(a) Includes the median home sale price for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: In the early 1990s, coinciding with the purchase of Mammoth Mountain Ski Area by Intrawest Resort Holdings, the focus of commercial and residential development in the greater Mammoth Lakes area, and the recreation/resort economy more generally, shifted towards a more upscale clientele. Coupled with a general undersupply of privately-held buildable land within the Town of Mammoth Lakes, this major demand shift resulted in a sharp increase in home prices, causing some members of the local workforce to be priced out of the local housing market. In conjunction with the adoption of new housing policies and regulations, the Town of Mammoth Lakes provided political and financial support toward the establishment of a new non-profit housing organization called Mammoth Lakes Housing, Inc. (MLH). Since its inception, MLH has become an important community leader and workforce housing advocate that engages with the Town on a contractual basis to facilitate implementation of the adopted Housing Element and to monitor compliance with the adopted Municipal Code. MLH has subsequently leveraged this relationship to secure grant funding that may otherwise be unavailable to the Town of Mammoth Lakes and has developed a network of strategic partnerships that has resulted in the development and/or rehabilitation of 189 housing units in Mammoth Lakes, with another 13 units located in other neighboring jurisdictions.

Marquee Program: Mammoth Lakes Housing, Inc.

Date(s) Established: Created in 2002, but fully staffed in 2003.

Program Overview: MLH is a registered non-profit organization operating under the mandate to "support workforce housing for a viable economy and a sustainable community." MLH has two full time staff and a six-member board of directors. The organization provides a variety of direct services, including home ownership counseling, property management services for apartments and condominiums, and management of a new lease-to-own program.[58] MLH is the sole member of Sierra Housing Advocates (SHA), a limited liability corporation, which was established as a way to hold real property separate from the 501(c)3. MLH is a main point of distribution for fair housing resources in Mono and Inyo Counties and provides professional consulting services to jurisdictions, businesses, developers, and other nonprofit organizations on issues such as Housing Element Law, Inclusionary Zoning, best practices in affordable and workforce housing, housing case law, and grant administration. MLH not only spearheads the Town's workforce housing development program, it also directly administers the Town's homebuyer assistance and rehabilitation programs and provides input on Alternate Housing Mitigation Plans. One of the core competencies of MLH is the cultivation of dynamic public-private partnerships that bring together representatives from the local and state government, other non-profit organizations, industry leaders in the recreation and accommodations sectors, and private sector commercial and residential developers. Some key partnerships include affiliations with the Town of Mammoth Lakes, Mono County, Inyo County, the City of Bishop, Next Step,[59] and the California Coalition for Rural Housing (CCRH).

Reliant on Local Funding

According to documents associated with a June 2015 financial audit, the total assets of held by MLH grossed approximately $2.26 million, with a total net worth of approximately $1.03 million at the end of the 2015-2015 Fiscal Year.60 That includes approximately $1.38 million in rental property. MLH received approximately $146,500 in grant revenue, $251,300 through contract services, and $83,300 in rental income. The 2015 MLH Annual Report to the Mammoth Lakes Town Council indicates that the total 2014-2015 MLH operating budget was equal to $372,799.61 Approximately 88 percent of that revenue was generated through

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[58] Lease-to-own programs functions such that the lessee for a designated period of time, which is subsequently paid to the property owner or accrued in an escrow account. After a designated period of time, the lessee is provided the option of purchasing the unit. If the lessee has paid the full value of the property, then the title is transferred. If the lessee has paid only a portion of the value of the property, the value paid is typically utilized in-lieu of a down payment, with the remainder being financed by with a traditional mortgage.

[59] NextStep is a nonprofit organization that encourages the use of factory built housing to address affordable housing shortages. For more information, visit nextstepus.org

[60] Mammoth Lakes Housing. (2015). *Financial Statements with Independent Auditor's Report*. Available at: http://mammothlakeshousing.com/wp-content/uploads/2016/03/Signed-Financial-Statement-6-30-15.pdf

[61] Mammoth Lakes Housing. (2015). *All In: Building Equity for More Robust Economic Growth For Everyone* (Annual Report to Mammoth Lakes Town Council). Available at: http://mammothlakeshousing.com/wp-content/uploads/2016/01/MLH-ANNUAL-REPORT-TO-TOML-TC_2015.pdf

contracts for services with the Town of Mammoth Lakes, which are primarily funded using the Town's General Fund revenues, while around eight percent were generated through other contract income and four percent was generated through grant administration. Budget documents for the 2015-2016 Fiscal Year, indicate that MLH can expect to receive approximately $1.6 million in total revenue from the Town of Mammoth Lakes.[62] The majority of the funds received - approximately $867,000 – are earmarked for first-time homebuyer and housing rehabilitation loans. These funds are predominantly a pass-through of Community Development Block Grant, HOME, and BEGIN Re-Use funds from the Town of Mammoth Lakes, which are managed by MLH.[63] The remainder of the MLH budget comes from a transfer of Measure 2002A (1% TOT) revenues from the Town of Mammoth Lakes General Fund. These are general obligation revenues, which are only loosely earmarked for housing, marketing, and transportation and can be redirected for other uses at the discretion of the Town Council.

According to the available budget documents, the 13 percent Transient Occupancy Tax (TOT) is expected to generate upwards of 64 percent of the Town's General Fund revenues in the 2015-2016 Fiscal Year.[64] According to Jennifer Halferty, Executive Director of MLH, the Town missed an opportunity to permanently dedicate funding for housing and other related uses.[65] The Town structured Measure 2002A as a general TOT increase, which was only loosely earmarked for housing, marketing, and transportation purposes; therefore, funds generated by the measure can be reallocated to other uses at the discretion of the Town Council. If the measure were structured so as to restrict the use of funds to the stated purposes, it would have needed to receive approval by a two-thirds vote. When the measure was placed on the ballot in 2002, it received support from approximately 80 percent of voters. However, with no restriction on the reallocation of Measure A funds, the Town Council has seen fit to reduce the proportion of funds allocated to housing by approximately 38 percent, though it has not significantly altered the proportion of Measure A funds allocated to marketing and transportation.

Predominantly Local Solutions

According to the Mammoth Lakes Housing Element (2014-2019), the Town of Mammoth Lakes is the only incorporated community in Mono County. The town houses approximately 57 percent of the countywide population and functions as the county's primary employment and service center.[66] As noted earlier, approximately 88 percent of the MLH operating revenue is derived from service contracts with the Town of Mammoth Lakes. For these reasons, among

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[62] Mammoth Lakes Housing (2015). *FY 2015-2016 Town Workforce Housing Budget*. Available at: http://mammothlakeshousing.com/wp-content/uploads/2016/02/FY-15-16-Town-Workforce-Housing-Budget.pdf
[63] Allocations from the Town of Mammoth Lakes Housing and Community Development Fund (406).
[64] Town of Mammoth Lakes. (2015). *Proposed Budget for Fiscal Year 2015-2016.* Available at: http://www.townofmammothlakes.ca.gov/DocumentCenter/View/5591
[65] Jennifer Halferty, Mammoth Lakes Housing, Personal Communication, March 30, 2016.
[66] Town of Mammoth Lakes. (2014). *Housing Element 2014-2019*. Available at: http://mammothlakeshousing.com/wp-content/uploads/2015/01/Final_Mammoth-Lakes-Housing-Element-2014-2019.pdf

others, the activities of MLH are predominantly oriented toward providing solutions to housing issues present within the Town of Mammoth Lakes.[67] However, recognizing the limited resources available for housing assistance in the Eastern Sierra's region, MLH also provides limited services in, and on behalf of, other communities, such as Mono and Inyo Counties, and the Town of Bishop. These services are typically provided on an as-needed basis and often include consulting services and/or grant management. As the Eastern Sierra region begins to develop and implement policies in compliance with California environmental and planning law, such as AB 32 and SB 375, MLH staff anticipates the initiation of a broader dialogue regarding regional approaches to housing and transportation, though no such dialogue is currently under way. In explanation, Jennifer Halferty cited a reluctance by some, including County Supervisors, to engage in housing policy, primarily due to questions regarding the appropriateness of government intervention in private markets.[68]

Housing Mitigation Policy

As the agency working to implement Town of Mammoth Lakes housing policy, MLH's approach to workforce housing development is somewhat dependent on the tools put in place under the existing Municipal Code. Following the onset of the most recent economic recession, the Town Council approved a temporary reduction in development fees, including Development Impact Fees (DIF) and housing mitigation in-lieu fees.[69] The Town also initiated a review of the existing fee structure which identified the existing fees as a significant impediment to new development that resulted in reduced fee revenues and slowed the pace of workforce and market-rate housing production. In November-2009, the Council adopted interim policies that reduced the fees by approximately 50 percent. The Town adopted a comprehensive update to the Housing Ordinance in 2015 which provides an array of options for satisfying mitigation requirements, including in-lieu fees, on-site housing development, conveyance of land, etc. The Town Council adopted a new nexus fee study in July 2015, which establishes the basis for the new in-lieu fee amount of $7,300 per residential unit, $3,700 per lodging room, and $1-$2 per square foot for other commercial uses.[70] Under the revised policies, mitigation is required for all incremental new demand for housing.[71] In those cases where a project would replace existing uses, the project is only obligated to mitigate for the incremental new demand due to an increase in gross commercial or industrial floor area, the net increase in the number of rooms for transient lodging, or the net increase in the number of market rate housing units. Mitigation is calculated based on full-time equivalent employees (FTEEs) and/or employee

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[67] Jennifer Halferty, Mammoth Lakes Housing, Personal Communication, March 30, 2016.
[68] Ibid.
[69] Town of Mammoth Lakes. (2014). *Housing Element 2014-2019*. Available at: http://mammothlakeshousing.com/wp-content/uploads/2015/01/Final_Mammoth-Lakes-Housing-Element-2014-2019.pdf
[70] Town of Mammoth Lakes. (2015). *Affordable Workforce Housing Fee Nexus Study and Fee Recommendation*. Available at: http://www.ci.mammoth-lakes.ca.us/DocumentCenter/View/5415
[71] Town of Mammoth Lakes. (2015). *Code of Ordinances* (Title 17, Article VI). Available at: https://www.municode.com/library/ca/mammoth_lakes_/codes/code_of_ordinances?nodeId=TIT17ZO_ARTVIAFWOHO

housing units (EHUs).[72] These requirements are also coupled with a number of developer incentives, as required under California Housing Element Law, including density bonuses, reductions in site development standards, approval of mixed-use zoning variances, and other regulatory concessions.

Transient Occupancy Restrictions
The existing Code of Ordinances in Mammoth Lakes already restrict the sub-leasing of below market rate housing units,[73] and most neighborhood covenants, conditions, and restrictions (CC&Rs) also prohibit the nightly rental of single-family homes and condominium units. In addition, voters approved a ballot initiative in October 2015, known as Measure Z, which requires voter approval for changes to zoning requirements associated with transient rentals (i.e., units rented for less than 30 days) in residential neighborhoods.[74] The measure was placed on the ballot by a petition signed by the required number of voters and received 68.9 percent voter approval. Under the Town's Land Use Code, transient uses are permitted in the primary urban core and resort oriented areas,[75] but are prohibited in most residential, public use, and open space zones.[76] [77] According to Sandra Moberly, Community and Economic Development Manager with the Town of Mammoth Lakes, the approval of Measure Z does not affect the majority of the existing transient rentals.[78] Due to its pre-existing prohibition on transient uses in most residential zones, the majority of the certified transient rentals are already located in the primarily visitor serving areas, like the downtown and the Old Mammoth Road corridor. The Town currently employs one staff person who is dedicated to enforcement of transient use regulations, though enforcement is typically geared toward addressing well known repeat offenders, with fines escalating from $100 for the first offence and increasing to $500 per day. In those cases where applicable fines are not paid, the Town maintains the option to take out a lien on the property, which is added to the tax bill.

Targeted Affordability Levels: MLH targets homeownership opportunities to those earning up to 120 percent of the Area Median Income (AMI). Since there are limited state and federal resources available to fund programs that support households earning between 80 percent and 120 percent of AMI, alternative resources are needed to address any subsidy allocation

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[72] An EHU is considered equivalent to a single one-bedroom housing unit and is calculated as equal to 58.1 percent of one FTEE.
[73] Town of Mammoth Lakes. (2015). *Code of Ordinances* (Title 17, Article VI). Available at: https://www.municode.com/library/ca/mammoth_lakes_/codes/code_of_ordinances?nodeId=TIT17ZO_ARTVIAFWOHO
[74] Mono County Elections Board. (2015). *Ballot Language for Measure Z*. Available at: https://no-on-z.s3.amazonaws.com/Official%20Ballot.pdf
[75] Transient uses are permitted in the following zoning districts: Residential Multi-Family-2, Mixed Lodging/Residential, Downtown, Old Mammoth Road, Resort, Specific Plan, and Airport.
[76] Transient uses are prohibited in the following zoning districts: Rural Residential, residential Single Family, Residential Multi-Family-1, Affordable Housing Overlay, Mobile Home Park, Industrial, Public and Quasi-Public, Open Space, Open Space Stream Corridor Overlay, and Equestrian Overlay.
[77] Town of Mammoth Lakes. (Unknown). *Guide to Zoning for Transient Use*. Available at: http://www.townofmammothlakes.ca.gov/DocumentCenter/View/2061
[78] Sandra Moberly, Town of Mammoth Lakes, Personal Communication, April 4, 2016.

for this income group, such as the Town's commitment of Measure 2002A non-restricted funding to housing programs. Rental programs generally target households earning up to 80 percent of the AMI.

What Results Have Been Reported from the Program? MLH has developed or rehabilitated 189 housing units in the Town of Mammoth Lakes and another 13 in neighboring jurisdictions.[79] MLH has coordinated the development or preservation of nearly $60 million in housing and is pursuing local support to be designated as a Community Housing Development Organization (CHDO),[80] [81] which will allow the non-profit to leverage additional HOME Investment Partnership Program (HOME) funds.

Lessons Learned:

- Though MLH provides services to jurisdictions and residents throughout the Eastern Sierra region, 88 percent of its funding is generated by the Town of Mammoth Lakes and the majority of its activities are focused within that area;
- Housing services provided by local government agencies can also be effectively provided through contractual relationships with non-profit organizations;
- As a private sector non-profit organization, MLH must rely on the policy, land use regulations, and funding tools established by local governments, such as housing mitigation requirements, TOT revenues, and grant funds;
- Deed-restriction is effective at preventing more affordable market rate units, such as condominium units and townhouses, from being purchased as second homes;
- Many moderate- and upper-income households can find suitable housing options in surrounding communities and are able to absorb associated transportation costs;
- Lower-income households are least able to absorb substantial transportation costs and are less likely to find suitable housing in surrounding communities and should, therefore, be the focus of efforts to provide below-market-rate housing;
- It is not realistic to expect that Mammoth Lakes could house 100 percent of its workforce; therefore, MLH and the Town must continue relying, to some degree, on the broader regional housing market to provide a diversity of housing options;
- In order to sustain a robust housing program, funds must be set aside in a consistent way, even during times of economic hardship.

Comments on Replicability:
The Mammoth Lakes approach to housing, involving the creation of an independent non-profit agency, may represent a good option for the coordination of workforce housing development and preservation efforts within the multijurisdictional Truckee North Tahoe region. Such an

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[79] Mammoth Lakes Housing. (2015). *About*. Available at: http://mammothlakeshousing.com/about/
[80] Ibid.
[81] Jennifer Halferty, Mammoth Lakes Housing, Personal Communication, March 30, 2016.

agency would not be under the same restrictions as a housing authority, which are subject to certain regulatory requirements under state and federal law. The Mammoth Lakes approach, which includes program elements to assist with affordability within the existing housing stock (e.g., first-time homebuyer program and housing rehabilitation components, and limitations on transient occupancy of housing units) as well as affordability in new construction, provides a good model for the Truckee North Tahoe region, which has similar needs. While the Mammoth Lakes programs can provide assistance to households with incomes up to the moderate-income level (120 percent of AMI), housing costs in the Truckee North Tahoe area are such that local stakeholders may wish to consider program elements that could serve households above 120 percent of AMI.

A regional non-profit focused on the coordination of regional housing issues could be organized to reflect the priorities, limitation, and core competencies, of participating jurisdictions and could theoretically function as a liaison between local government, the development community, and the general public. The agency would have the ability to utilize dedicated funding provided by each participating jurisdiction, but could also leverage grant resources and private contributions or donations. Where MLH relies heavily on funding provided by the Town of Mammoth Lakes, a regional non-profit housing agency would need to receive dedicated funding from an array of government entities in order to ensure a regional scope (i.e., avoid bias created when an agency receives too much funding from a single jurisdiction). However, when working in a regional context, it may also be difficult to develop consensus regarding an appropriate and focused regional housing strategy. For example, some interested parties may argue for the concentration of housing within existing urban nodes, while others may argue for a more dispersed approach or the accommodation of a large portion of the workforce outside of the region. As a result, a robust regional collaborative process must be established to provide coordination. Lastly, the establishment of a dedicated funding stream, though approval of Measure 2002A, has been critical to the success of MLH. Additional outreach and discussion within the Truckee North Tahoe community would be necessary to determine whether there is sufficient commitment to establish additional levies on private development to fund housing. Similarly, anecdotal evidence indicates that any proposal designed to establish limitations on short-term rentals (i.e., transient occupancy units) may be likely to face considerable resistance within the Truckee North Tahoe region.

Park City, UT

Table 43: Community Characteristics, City of Park City and Summit County, Utah

	City of Park City, UT	Summit County, UT	Truckee North Tahoe Study Area
Demographics			
Population	7,845	37,877	30,251
Households	3,192	13,425	11,802
Median Household Income	$88,438	$89,886	$67,079
Housing			
Median Rental Rate	$1,185	$1,218	$1,278
Median Home Sale Price (a)	$1,550,000	$960,000	$538,000 (b)
Economy			
Jobs in Region	12,911	22,275	15,825
Live Outside Region (c)	*85.3%*	*59.9%*	*58.6%*

Notes:
(a) Includes the median single-family home sale price for first quarter 2016, as reported by Summit Sotheby's International Realty, using Park City MLS data.
(b) Includes the median single-family home sale price betw een June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local w orkers w ho live outside of the area and commute in for w ork.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Summit Sotheby's International Realty, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: In the early 1990's, Park City experienced a rapid increase in the proportion of the housing stock held vacant for seasonal or occasional use. This corresponded with a significant increase in both for-sale and rental housing prices. This prompted the Park City Municipal Corporation to adopt its first affordable housing policies, which provided a set of incentives for developers to provide affordable housing in mixed-income projects. Due to underutilization of the available workforce housing incentives, the City updated its workforce housing policies in 1999, adding an additional set of workforce housing requirements, which mandated that new residential master planned developments (MPDs) with 50 or more units include a certain proportion of deed restricted affordable units. Since that time, the City's workforce housing policies have been progressively updated to encompass both residential and commercial uses, as well as to address topics such as seasonal and special needs housing, an affordable unit equivalent calculation for off-site development, and the implementation of an in-lieu fee. Throughout the process of updating the resolution, the Park City Municipal Corporation has conducted numerous workforce housing studies, including various surveys of the workforce, to better understand the housing needs of the community. The community has more recently embraced a desire to pursue action with regards to workforce housing development and is exploring opportunities for new public-private partnerships.

Marquee Program: Workforce Housing Policies

Date(s) Established: First adopted in 1993, with additional provisions adopted in 1999, 2007, 2012, and 2015.

Program Overview: The Park City workforce housing policies utilize a combination of incentives and mandatory requirements to promote the development of workforce housing as a component of new Master Planned Developments (MDPs). This limitation was noted as a key constraint dictated by the laws of the State of Utah, though City staff are working to identify ways in which to expand the scope of Resolution 13-15, which represents the most recent iteration of the Park City workforce housing policy framework.[82] Under the current Municipal Code, MDPs include any project with 10 or more residential unit equivalents (RUEs),[83] any lodging project with 10 or more RUEs, any non-residential project with 10,000 square feet or more of gross floor area, all projects utilizing TDR Development Credits,[84] and all Affordable Housing MDPs (as defined under section 15-6-2 of the Park City Municipal Code).

Inclusionary Housing Requirements

As outlined in Resolution 13-15, new residential developments are required to rent or sell at least 15 percent of the total unit count at prices that are affordable to households at or below the current workforce wage.[85] Affordable units developed on-site in fulfilment of this requirement are not counted toward the applicable density calculation, which has the effect of giving the builder up to a 15 percent density bonus. Commercial developments are required to mitigate housing demand for 20 percent of the anticipated employment that will be generated by the project, which is estimated based on a set ratio of full-time equivalent jobs per 1,000 feet of leasable floor area for an assortment of common land use types. At the discretion of the City, all applicable requirements may be waived or modified, which provides much needed flexibility, but has also allowed some developers to avoid compliance with inclusionary housing requirements by claiming economic hardship and other extenuating circumstances.[86] The City may also approve the provision of seasonal dormitory or lodge type units, in lieu of single-family or apartment units, as necessary to accommodate occupancy by seasonal employees.[87] Among a variety of physical requirements, all covered construction or rehabilitation projects must comply with NAHB Green Standards or must be LEED certified. Developers are offered a

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[82] Rhoda Stauffer, Park City Municipal Corporation, Personal Communication, April 4, 2016.
[83] Equal to 2,000 square feet of residential floor area and 1,000 square feet of commercial floor area. Square footage is measured from the interior of the exterior unit walls. All bathrooms, halls, closets, storage and utility rooms are included. Exterior hallways, common circulation, and outdoor areas are excluded.
[84] In this context, TDR stands for Transfer of Development Rights.
[85] Park City Municipal Corporation. (2015). *Resolution 13-15.* Available at: http://www.parkcity.org/home/showdocument?id=15713
[86] Scott Loomis, Mountain Lands Community Housing Trust, Personal Communication, April 4, 2016.
[87] Park City Municipal Corporation. (2015). *Resolution 13-15.* Available at: http://www.parkcity.org/home/showdocument?id=15713

variety of options by which to comply with the regulations, including onsite development, off-site construction, dedication and deed-restriction of existing units, payment of fees in lieu of development, or the dedication of land. When the developer dedicates land in-lieu of providing the required units on-site, the land must be of equal or greater value compared to the in-lieu fee amount. The land must also be appropriately zoned and have reasonable access to all necessary utilities. In those cases where the land is not appropriately zoned or would require extensive site preparation and infrastructure development, the City can assess an additional fee equaling up to 25 percent of the in-lieu fee amount.[88]

Calculating the Workforce Wage

Under the existing workforce housing regulations, affordability is calculated using two separate methodologies, depending on the application. For general policy purposes, Park City uses what is defined as the Workforce Wage. The Workforce Wage is calculated annually based on the Summit County median annual wage for the prior year,[89] which is adjusted upwards by six percent to account for other income (e.g., tips, bonuses, etc.). That value is then multiplied by 1.5, which equals the average number of workers per household in Summit County. According to Rhoda Stauffer, Housing Specialist with the Park City Municipal Corporation, the Workforce Wage typically equals approximately 60 percent of the Area Median Income (AMI). On many occasions, staff indicated that they often refer to both the Workforce Wage and the AMI based income limits. While the Workforce Wage more accurately characterizes the spending power of area employees, the AMI based income limits published by HUD are somewhat easier to understand for many members of the community. Also, the City must utilize the AMI based income limits when applying for certain grant funds; therefore, a dual system for evaluating affordability is unavoidable, but offers valuable perspective.

Developer Incentives

In addition to the workforce housing requirements established under Resolution 13-15, the City also offers a number of incentives to developers to encourage workforce and affordable housing production. For example, the City offers an impact fee waiver of up to $5,000 per deed-restricted workforce or affordable housing unit produced.[90] In addition, Master Planned Affordable Housing Developments can receive an increase in the allowable density up to 20 dwelling units per acre.[91] To be eligible for the density increase, the project must be 100 percent deed restricted and cannot contain any units intended for transient occupancy, such as hotel rooms, lockout suites, and other similar units. Ownership units within such developments cannot be used as nightly rentals or timeshares, but can be leased out on a longer-term basis (i.e., for periods of greater than 30 consecutive days).

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[88] Rhoda Stauffer, Park City Municipal Corporation, Personal Communication, April 4, 2016.
[89] Park City Municipal Corporation. (2015). *Resolution 13-15.* Available at: http://www.parkcity.org/home/showdocument?id=15713
[90] Ibid.
[91] Park City Municipal Corporation. (2015). *Park City Municipal Code*. Title 15 Land Management Code. Available at: http://www.parkcity.org/home/showdocument?id=209

Partnering with the Private Sector

While not currently in use, those interviewed for this research indicated that members of the development community, as well as the City Council, are now expressing interest in public-private partnerships.[92] [93] These would most likely involve the long-term lease or sale of City owned land, primarily within the City's historic downtown area, for the development of workforce housing by private sector investors.[94] Other innovative approaches that are being considered for future implementation include the reduction of applicable parking requirements for MPDs in the downtown area and the establishment of a purchase and resale entity or program. The latter would utilize City funds to purchase options on privately owned real estate that is currently being used as de-facto workforce housing, providing the City with right-of-first refusal in the event that the property is put up for sale. This is in response to a tendency within the local market to purchase and demolish older, smaller housing units, only to construct larger, high value second homes. Under the proposed program each purchased unit would be deed-restricted by the City prior to resale or rental to a qualifying household (e.g., lower-income and/or workforce). The focus of the proposed program would be to secure those properties that may yield the greatest number of new units (i.e., larger parcels that could be subdivided), but would also seek to secure and rehabilitate units of all types and sizes for long-term use.

Local Worker Preference

The majority of deed-restricted units in Park City have at least some type of restriction associated with place of employment. For example, there are roughly 30 housing units that were developed under the City's inclusionary housing requirements as part of an MPD in the Deer Valley Resort area. The units were not subject to income restrictions,[95] though property managers are required to provide a preference to households with at least one adult member who is employed in the local area. This is typically structured in a tiered way, in which preference is first given to employees working within the same MPD. Second tier preference is given to persons working in the downtown area, which is the area facing the strongest demand for workforce housing. Third tier preference is then given to persons working within the Park City School district, which includes all of Park City and a portion of Summit County. Fourth tier preference is given to persons working elsewhere. Those failing to comply with applicable deed restrictions may be charged with Affordable Housing Fraud under the City's Criminal Code,[96] which is a class B misdemeanor with a fine that starts at $100 for the first offense and escalates from there. Those convicted of Affordable Housing Fraud generally have 30 days to comply with the order and are then charged up to $500 per day for non-compliance. In

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[92] Rhoda Stauffer, Park City Municipal Corporation, Personal Communication, April 4, 2016.
[93] Scott Loomis, Mountain Lands Community Housing Trust, Personal Communication, April 4, 2016.
[94] Land is in particularly short supply in Park City and Summit County.
[95] This is because the housing resolution in place at the time that the development agreement was established did not require income restrictions, but did require employment within the local area.
[96] Park City Municipal Corporation. (2015). *Park City Municipal Code*. Title 8 Criminal Code. Available at: http://www.parkcity.org/home/showdocument?id=243

those cases involving ownership units, the property owner can be compelled to sell the property.

Transportation and the Regional Housing Market
The Park City community is just now beginning to grapple with issues associated with transportation and the regional housing market. As of this writing, no specific policies or programs have been put in place to address and/or manage the significant volumes of workers commuting in from communities like Heber City, Kimball Junction, and Salt Lake City, among others. According to recent estimates published by Economic and Planning Systems (EPS), approximately 34 percent of the current workforce is housed in Park City, with another 43 percent housed within the broader Snyderville Basin. The remaining 23 percent commute in from outside the area, primarily from locations in and around Salt Lake City. With average drive times of around 20 minutes, the City has considered the possible extension of public transportation services, currently provided within the City limits free-of-charge, to other nearby communities. However, Rhoda Stauffer indicated that residents of surrounding communities, like Heber City, expressed concern regarding the impact such an extension would have on their communities, including an influx of lower-income households.[97] The issue is further complicated by the presence of multiple jurisdictions, including multiple cities and counties.

Targeted Affordability Levels: Park City uses a "Workforce Wage" calculation based on data from Utah Division of Workforce Services, rather than area median income, to determine pricing for affordable units. Rental units must be affordable at incomes equivalent to, or less than, the Park City Workforce Wage, while the initial price of for-sale units is targeted toward households earning 150 percent of the Workforce Wage. The Workforce Wage typically equals around 60 percent of AMI. The AMI based income limits published by HUD are also used where necessary and appropriate.

What Results Have Been Reported from the Program? As of 2015, there were 497 deed-restricted affordable housing units in Park City, with eighty percent being rental housing and the remainder being for-sale condominium and single-family homes. According to City staff, roughly 260 deed restricted housing units have been put in place since the establishment of the City's inclusionary housing requirements in the 1990s.

Lessons Learned:

- Fee waivers, density bonuses, and other incentives alone have not been enough to encourage developers to construct workforce housing;
- Inclusionary housing requirements are viewed as a necessary component of an effective workforce housing policy framework;

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[97] Rhoda Stauffer, Park City Municipal Corporation, Personal Communication, April 4, 2016.

- Inclusionary housing requirements only function effectively during periods of robust growth and development and, even then, are ineffective if not enforced;
- Lack of enforcement of development agreements means that developers, and particularly the resorts, have not provided the workforce housing units that they committed to as a condition of approval;
- Limiting the inclusionary housing requirements to MPDs has constrained the impact of the program (i.e., number of deed-restricted units produced), though efforts to expand its scope are limited by applicable state and local laws;
- Adopting inclusionary housing requirements helped to shift expectations, such that community members now express that workforce and affordable housing should be a component of all new projects, almost as a matter of course;
- Public opposition to increased densities remains a significant obstacle to affordability and the construction of additional workforce housing;
- Public-private partnerships likely represent the next big innovation in Park City housing policy and will likely include some form of land exchange or subsidy;
- Park City accepted that the city will likely continue to be a majority in-commuter community, but has expressed a commitment to providing enough housing to continue housing approximately 34 percent of its workforce;
- The resorts typically aren't willing to make capital investments in workforce housing, but are willing to contribute on an ongoing basis for operations and maintenance.

Comments on Replicability:
Workforce housing policies in Park City rely heavily on the City's existing housing mitigation policy, but are limited to new Master Planned Developments. While the Housing Resolution provides opportunities for developer incentives, these remain relatively conventional in their scope, primarily including in-lieu fee options, a density bonus, and fee waivers. This program's focus on households with incomes up to about 60 percent of AMI would likely be viewed as a shortcoming in the Truckee North Tahoe area, where lack of affordability can create housing challenges for households with incomes above 120 percent of AMI. Thus, a similar program tailored to Truckee North Tahoe needs would likely need to extend its targeted income range to include moderate and, potentially, above moderate-income households.

The reliance on mitigation requirements imposed on new development for creation of new workforce housing units means that the City is trying to "build its way out" of its workforce housing shortage. In the Truckee North Tahoe context, a strategic approach that is purely based on new development would overlook the substantial unmet existing needs, which dictate that a comprehensive workforce housing strategy should also include mechanisms to work on facilitating affordability within the existing housing stock, whether that involves providing assistance to workers to make buying or renting existing housing units more affordable, or offering incentives to owners of existing housing units to make them available to workforce households. For the Truckee North Tahoe area, an effective housing strategy should address the need to increase affordability within the existing housing stock as well as in new construction.

While the utilization of a custom workforce wage estimate as the basis for evaluating affordability offers an innovative alternative to the typical AMI-based approach, the City's transition to using a dual workforce wage and AMI based evaluation system indicates that a more conventional approach may offer greater utility. Likely the most promising component of the Park City approach, as it pertains to replicability within the Truckee North Tahoe region, is the more recent interest in utilizing public-private partnerships to leverage City-owned land to promote housing development (i.e., subsidizing the land cost and introducing governmental oversight and direction into the development process). Another important point of comparison is the relative proximity of Park City to the greater Salt Lake City metropolitan area. Where resorts within the Truckee North Tahoe region have provided some limited private transportation options (e.g., vans/busses) for workers living in the Reno area, resorts in the Park City area are just now beginning to consider similar option and are encountering significant resistance from some of the potential destination communities, such as Heber City. It is important to note that the distances from Park City to Heber City, and from Kimball Junction to the edge of the Salt Lake City metropolitan area, is roughly half the distance from the edge of the Town of Truckee and to the edge of the Reno metropolitan area. This suggests that relying on transportation improvements to help workforce households access housing in the broader Reno market may continue to present challenges related to the direct costs of providing transportation services, as well as community opposition and environmental impacts (e.g., greenhouse gas emissions), among potential issues.

REGIONAL WORKFORCE HOUSING POLICY AND PROGRAM OPTIONS

Introduction

This section of the report presents a range of workforce housing policy and program options, for consideration by regional stakeholders. The options serve as a springboard or starting point for discussions regarding implications and alternatives. The options are by no means all-inclusive or exhaustive, recognizing that stakeholders may identify additional options that better suit local needs and preferences. The options can also be considered as a menu of items, which can be implemented in varying combinations and sequences. Each of the options has a certain level of stand-alone utility, though greater effectiveness and results will likely be achieved if multiple options are layered, or packaged, together. A comprehensive approach will be necessary to effectively address the complex problem of regional workforce housing availability and affordability.

The policy and program options below are presented because they meet the following criteria:

1. Address one or more of the workforce housing needs identified during the course of this study;
2. Likely capable of achieving a significant level of broad community support based on stakeholder and community input to date;
3. Practical to implement through actions that can be taken at the local level.

BAE's assessment of different policy and program options is based on the research and community outreach conducted for this study. Some options are likely to generate considerable controversy and may require further study and discussion to determine their ultimate feasibility, in terms of both practical and political considerations. Therefore, the following list of policy options should not be construed as an endorsement by the TAG, the TTCF, CCTT, or any other participating agency. Rather, the community will need to engage in an additional dialogue, as necessary, to build consensus regarding appropriate solutions.

The program options offered below for regional stakeholder consideration are organized using categories that correspond to those used to poll Community Workshop participants about their preferences for different types of approaches to addressing regional workforce housing needs; however, the recommendations combine two categories handled separately in the Community Workshops into a single category:

- Policy Options (including Housing Product Types)
- Organizational Options
- Funding Options

Within each of these categories, one “Cornerstone” option is identified. These are actions that are likely to have major impacts, but may also require significant commitments of resources for implementation. Additional “Supporting” options are also identified for each Cornerstone action. Some of these activities may be more modest in their potential impact, but can help to better ensure the success of Cornerstone actions and/or help create more modest short- or medium-term benefits before Cornerstone actions can be fully implemented.

Policy Options, Including Housing Product Types

As detailed in this report, lack of housing affordability for workforce households and loss of year-round housing stock in favor of part-time residents and vacation rentals are two inter-related issues at the heart of the workforce housing issue in the Truckee North Tahoe Study Area. While expanding the supply of workforce housing through development of new residential projects targeted to the workforce can help to address current unmet needs, modification of public policies will be necessary in order to address the three issues recapped above, to prevent further erosion of the existing workforce housing stock, and to facilitate efforts to build new workforce housing.

Information collected through surveys, focus group sessions, and community workshops indicated that local stakeholders are interested in promoting availability of a broad range of housing types that would be suitable for a range of household needs, including single workers, couples, and families, groups of unrelated individuals living in shared housing, seasonal workers, and permanent workers. Participants were also interested in housing types that would help to promote affordability, including tiny houses, limited equity co-ops, and other types of housing, as well as de-emphasizing production of luxury vacation oriented housing that does not effectively serve the workforce.

Cornerstone Action 1: Regional Workforce Housing Action Plan

After consideration of the options outlined on these pages, regional stakeholders should develop a Regional Workforce Housing Action Plan (RWHAP) that identifies priority actions and projects to be undertaken within the region to expand, diversify, and increase affordability of the regional housing supply, and outlines quantified objectives for workforce housing supply expansion, a schedule, and roles and responsibilities of stakeholders. The plan should identify the organizational approach to regional coordination, a policy agenda, and funding sources, as well as other topics as determined appropriate.

In preparing the RWHAP, stakeholders should work towards achieving compatibility between the TRPA Regional Plan and the housing elements of Placer and Nevada Counties and the Town of Truckee, by tailoring the RWHAP to fit within the existing policy structures where possible, and/or through advocacy for policy updates which align the existing housing elements and Regional Plan with identified housing needs and priorities for workforce housing in the Truckee-North Lake Tahoe region.

Supporting Actions

<u>*1.a) Housing Production Targets*</u>
An important yardstick to measure the effectiveness will be progress towards defined housing production goals. Stakeholders should establish goals for housing production at the various income levels. A starting point for long-term goals is the workforce housing demand estimates; however, stakeholders should also establish realistic short- and medium- term goals.

In addition to overall regional targets, stakeholders should consider establishing sub-regional targets and/or sub-regional priority areas, focusing on increasing production of workforce housing units that have limited existing workforce housing availability, particularly high housing costs, as identified in this report, and/or are near major employment nodes.

<u>*1.b) Housing Mitigation Regulations and Requirements*</u>
To help achieve the goals for production of workforce housing targeted to various income levels, work to ensure consistency of affordable and workforce housing requirements across all jurisdictions, including mitigation requirements for new residential development and mitigation requirements for new commercial developments. For example, Truckee and Placer County have jobs/housing mitigation requirements for new commercial developments (albeit at different levels), but Nevada County does not.

- Continue existing use of income-based deed restrictions for rental and/or for-sale housing to help ensure housing availability for the lowest income workforce households.
- Review the income limits established in affordable housing programs to include, where appropriate, moderate-income households up to 120% of AMI, and “middle” income households who have incomes above 120% of AMI, extending up to 185% of AMI,[98] to ensure that requirements acknowledge the need for and benefits of providing affordability for moderate and “middle” income households that do not qualify for many programs that are limited to lower-income households, still have trouble affording market rate housing, particularly for ownership. Lack of affordable options for these households fail to promote development of “step-up” options, which may encourage residents of housing targeted for lower-income households to remain beyond the time when they strictly need housing subsidized to the lower-income level.
- Consider short-term rental restrictions, as well as full-time resident and/or employee occupancy requirements as a way to address. As a first step, the stakeholders should consider targeting such restrictions to new housing developments that require

[98] This is the minimum income required for a four-person household to comfortably afford the median priced for-sale single-family housing unit available in the Truckee-North Tahoe market from June and November 2015.

discretionary approvals. This would represent a pilot program that could be tested to better understand the administrative/monitoring needs for operation of such a program. Should the program prove effective, the stakeholders can consider whether it would be practical and desirable to try to extend the program to existing housing units. Another option would be to target restrictions toward neighborhoods that are intended to remain as predominantly resident-occupied, as in the Mammoth Lakes example.

- The Housing Council should be an advocate for local jurisdictions to consistently adhere to adopted mitigation requirements when reviewing and approving projects

1.c) Housing Development Standards

- Review and if appropriate, increase density limits within residential zoning districts, to more efficiently use available land.
- Promote development of a variety of housing types with access to transportation, employment centers, and services.
    - Recognize that lower-income service workers are the least likely to be able to afford transportation (i.e., commute from Reno), even though they are one of the main worker groups associated with visitor serving industries.
- Develop a set of pre-approved design plans for affordable and workforce units, second units, etc. that would be permitted by-right in appropriate zoning districts.
- Establish more “by-right” development provisions in the zoning ordinances, to ensure that projects that meet all zoning and design criteria are not subject to discretionary approval requirements.
    - This could be a way to incentivize the development of alternative housing types (i.e., provide “by-right” prototypes that show a developer what the community would like to see built, while simultaneously reducing uncertainty and streamlining the permitting process).
- Provide flexibility in site development standards to promote mixed-use developments.

1.d) Incentives

- Restructure development impact fees and utility connection fees to eliminate flat fees which act as a disincentive toward the development of smaller housing units.
- Consider exemptions from affordable housing requirements for residential projects that are designed for “structural” affordability, involving smaller residential units that are not geared towards luxury homebuyers or vacation rental use.

- Consider exemptions from affordable housing requirements or reduced requirements for residential projects that agree to full-time resident/employee deed restriction.
- Review density bonus provisions and identify modifications that could better incentivize production of affordable units and/or units restricted to occupancy by full-time residents.
- Provide fee waivers from certain planning, building, and other permitting fees for deed restricted (affordable or full-time resident/local employee) or desired housing types (smaller units/multifamily/affordable ownership/etc.). However, fee waivers may also generate considerable costs, such as triggering prevailing wages, which add additional costs to the developer and require monitoring by the appropriate jurisdiction.
- Consider postponing the payment of certain planning, building, and other permitting fees until the developer achieves a certain performance threshold, such as stabilized occupancy or the sale of a certain proportion of the units. This may help to avoid many of the costs associated with a fee waiver program, while helping the developer to better mitigate risk and distribute costs throughout the course of the project.
- Provide flexible development standards for residential developments meeting policy objectives such as:
    - Exemptions for deed restricted (affordable or full-time resident/local employee) or desired housing types (smaller units/multifamily/affordable ownership/etc.).
    - Reductions or waivers in parking requirements, aesthetic requirements, open space, and/or snow storage requirements for projects that will provide affordable or workforce housing on-site, off-site, or with payment of in-lieu fees.
    - Provision of additional FAR to commercial or residential projects that will provide affordable or workforce housing on-site, off-site, or with payment of in-lieu fees.
- The action above could include creation of "ministerial variances" whereby developments that include certain components (i.e., affordable or workforce units or payment of in-lieu fees) receive specific exemptions, reductions, or other modifications to development standards.
- Grant expedited approvals for deed restricted housing (affordable or resident/local employee) or desired housing types (smaller units/multifamily/affordable ownership/etc.)
- Identify other meaningful incentives for homeowners who rent their units for long-term occupancy, such as tax abatement, among other potential options.

1.e) Resident- and Employee-Based Housing Assistance Programs

In addition to establishing policies that promote housing affordability at the project level, stakeholders should also consider providing increased resources for resident- and employee-based housing assistance, which will give the local workforce broader access to find suitable housing within the larger unrestricted housing market.

- Create a "silent second" mortgage program, possibly coupled with the Martis Fund down payment assistance program to assist workforce households with home purchases. In establishing program terms, emphasize objective of securing housing for workforce households as opposed to restricting homebuyer equity appreciation, but seek to ensure that the fund is made whole upon resale, to promote fund sustainability.
- Work with the larger regional employers, such as the major resorts, to provide more direct housing assistance to employees, possibly including the housing stipends and/or master leasing of housing units, in order to make housing options available to workers at a reasonable cost and in areas with efficient access to transportation.
- Establish a workforce housing availability portal for workers seeking housing, including assisted and market rate units.
- Consider allowing prospective applicants for homebuyer assistance to obtain pre-commitments for assistance before they enter into contract to purchase a home, so that that they can act more quickly and compete with other buyers who can offer quicker closings to sellers.

1.f) Voluntary Resident/Employee Deed Restriction and Unit Banking Programs

As demonstrated in other resort communities, the creation of a separate market of housing units that are deed restricted for full-time occupancy by full-time residents and/or local area employees can help to ensure the availability of workforce housing, without the need to impose limits on income eligibility or equity appreciation. A program that works to recruit private property owners who are invested in the future of their community to voluntarily place deed restrictions on their properties that reserve the units for occupancy by full-time residents and/or employees may help to slowly build a supply of dedicated resident and workforce housing. Similarly, local employers, non-profits, and government agencies may also participate by purchasing market rate residential units, then imposing similar deed-restrictions prior to re-sale. This would add additional units to the resident and workforce housing supply, with the only long-term cost being a marginal markdown based on the purchasing power of resident and workforce households compared to households participating in the second home market. As a component of this program, stakeholders should research the potential for participants in this program to obtain income tax write-offs tied to the value of the property rights that they are foregoing by agreeing to limits on who the units can be sold or rented to. This concept would be similar to the well-established practice in the land conservation arena, whereby property owners who place conservation easements on their land can obtain income tax benefits. Another component of such a program could also be expanded to include purchases and banking of "workforce housing conservation easements", which could be held and monitored as an extension of the functions of an existing entity, or held by a new entity created for that purpose. Purchase of easements would not require the existing property owner to sell the property, which may expand the pool of interested participants.

1.g) Affordable and Workforce Housing Enforcement

The review of existing affordable and housing programs and policies identified a need for improved and sustained enforcement of existing affordable and workforce housing requirements, both at the project approval state and during the occupancy stage on an ongoing basis. This will be a critical component of the implementation process, as a lack of enforcement can slow, or even negatively impact, the efficacy of regional housing programs. Examples of enforcement models utilized in other resort communities may provide useful templates upon which to model a regional affordable and workforce housing monitoring and enforcement program. Case study research indicated that it is possible to monitor and enforce workforce housing requirement in such a way that respects personal property rights and the rights of residents, while also recognizing the value and importance of the region's scarce affordable and workforce housing resources.

1.h) Housing Rehabilitation and Preservation

In addition to increasing the workforce housing supply, stakeholders should also focus on preservation of existing housing that is accessible to the workforce, whether market rate or income-restricted. Rehabilitation and Preservation efforts should be focused on areas like Kings Beach, where relatively affordable housing exists, but the stock is aging and in need of investment to maintain it for the long-term.

Organizational Options

Cornerstone Action 2: Establish a Regional Housing "Entity"

Regional stakeholders should establish an "Entity" that would take the lead on implementation of the Regional Workforce Housing Action Plan. Regional stakeholders will need to have further dialog on the appropriate form for this entity, but it should fulfill the following functions:

- Engage critical regional stakeholders in the leadership of the entity, including representation from within the Town, the Counties, special districts, TRPA, and representatives of business, real estate, social services, housing advocates, and environmental groups.
- Oversee the development of the Regional Workforce Housing Action Plan.
- Advocate at all levels of government for actions needed to fully implement the Regional Workforce Housing Action Plan.

- Provide a means for the participating jurisdictions to hold themselves accountable for following through with the portions of the Regional Workforce Housing Action Plan for which they are individually responsible.

- Limit the costs for ongoing maintenance of the "entity" itself, in order to maximize the available resources to support actual projects that maintain or expand the supply of workforce housing available within the region.

Preliminarily, BAE suggests that regional stakeholders consider formation of a **Truckee North Tahoe Regional Housing Council**, which would be governed by a volunteer Board that includes representation from the different regional stakeholders identified above. The Housing Council would use an independent contractor agreement, with an individual, an agency, or a local non-profit organization for the services of a staff person who would handle a range of duties on behalf of the Council, primarily broken into two different functions:

- **Board Support** – coordinating and facilitating periodic meetings of the Board; including tracking and reporting on progress towards implementation of the Regional Workforce Housing Action Plan
- **Regional Workforce Housing Action Plan Implementation** – hands on work to facilitate or implement projects identified in the Regional Workforce Housing Action Plan, through partnerships with community organizations, property owners and developers, and others, as appropriate

Supporting Actions

2.a) Obtain financial commitments to support Regional Housing Council
As mentioned above, the goal should be to limit the overhead created by the formation of the Regional Housing Council; however, it is also essential that the Council have dedicated staff whose primary responsibility is to spearhead efforts to implement the Regional Workforce Housing Action Plan and to track progress in implementation. In order to ensure that the Housing Council is stable and viable over the long-term, it will be necessary to obtain multi-year commitments from a range of public and private entities, to provide annual operating funds. Ideally, this will include commitments from local government and private organizations and businesses. The value proposition for public agencies and private entities alike, is that the Housing Council will undertake actions on a regional level that will create benefits for the participating funders, which they would otherwise have been required to fund on their own. For example, depending on the level of funding support, the Housing Council staff can undertake work that would otherwise have been the responsibility of County or Town housing staff. The Housing Council staff could also handle functions such as serving as a clearinghouse for available housing assistance, which would benefit businesses and their employees.

2.b) Obtain commitments for in-kind support

The beyond direct financial support, the Housing Council should also establish a network of partnerships with public and private sector entities for in-kind support for various Regional Workforce Housing Action Plan implementation activities. This may take the form of pledges from public agencies to provide low-cost land or in-kind staff support for RWHAP projects, and commitments from non-profit organizations to assist with ongoing community outreach.

2.c) Identify entity to act as a fiscal agent

The regional stakeholders should identify a qualified non-profit organization or public agency that can act as the fiscal agent for Housing Council funds and contracts. This will provide a mechanism for the receipt of funds to be used to support implementation of the Regional Workforce Housing Action Plan, and for oversight and accountability for the use of funds that the Housing Council would generate and deploy for the benefit of the region.

2.d) Advocacy and education

One of the functions of the Housing Council should be to undertake advocacy and education within the region on workforce housing needs. This work should be undertaken in partnership with other local agencies and organizations who share the Housing Council's concern with ensuring an adequate and affordable supply of workforce housing as an essential piece of community infrastructure that is necessary to ensure community sustainability. This function would include general advocacy and education as well as advocacy and education specifically targeted to developing and sustaining support for specific programs, projects, and funding mechanisms contained within the RWHAP.

Capital Funding Strategy Options

Provision of workforce housing, particularly housing that would be affordable to workforce households whose incomes dictate the need for below-market rate housing, is a capital intensive endeavor. Unfortunately, California cities and counties lost one of their most power financial tools to help fund and develop workforce housing, when the State of California abolished the redevelopment agencies as of February, 2012. While there are still a number of state and federal programs that help to provide funding for affordable housing development, the tax increment revenues collected by Redevelopment Agencies and contributed to housing projects was often an important component used to leverage state and federal funds, along with private investments. In order to undertake aggressive goals to increase the production of workforce housing in the Truckee North Tahoe Study Area, local stakeholders will need a robust stream of funding that can be deployed to local projects. While each of the funding strategies presented below received expressions of support during the public outreach process for this study, it is acknowledged that these options either would utilize public resources or would involve establishing new taxes, which will never achieve unanimous support. Thus, these options are presented with the understanding that regional stakeholders are best equipped to weight the potential pros and cons of these approaches to determine if, on balance, they strike a reasonable compromise between the diverse interests within the community. This conversation will be an important component of work to be undertaken by the Truckee North Tahoe Regional Housing Council, as it pursues development of a Regional Workforce Housing Action Plan.

Cornerstone Action 3: Public Land Utilization
Land owned by public agencies within the region is a significant asset that could be leveraged to assist in workforce housing production. A land write-down (i.e., selling or leasing land to housing developers at a discount to market values) can be equivalent to an equity contribution to a housing project. Decisions on use of land owned by local governments are primarily controlled at the local level; thus, public land utilization is potentially a powerful and accessible "funding" tool to assist in workforce housing production.

Not all land owned by public agencies will be available or suitable for workforce housing production; thus, an important first step will be to compile an inventory of publicly owned land within the region and assess the suitability and availability of the land to develop workforce housing. A second step to be completed after identifying sites on public land that could be made available for workforce housing development will be for the affected jurisdictions to undertake any necessary General Plan and/or Zoning amendments, including required environmental reviews, to allow residential development.

Once the land use regulations have been updated to allow residential development, the agencies owning the land should issue solicitations for housing developers wishing to enter into public-private partnerships to develop workforce housing on the sites. A stated goal of the solicitations should be for the developer to propose projects that would leverage the land contributed by the public agency to maximize the quantity and affordability of workforce housing that could be developed on each site. This workforce housing could be specifically dedicated to employees of the landowner, or it could be made available to regional workforce members on a more general basis, or it could give priority to the landowner's employees and secondarily make workforce units available to other workforce members if there are remaining available units.

Supporting Actions

3.a) Pursue Regional Workforce Housing Funding Mechanisms
A robust RWHAP will be enhanced by additional dedicated and sustainable funding sources that can be used in combination with, or without, public land assets to leverage other funding opportunities for the production of workforce housing. Case studies indicated that a lack of fully dedicated and secured funding was a major impediment to successful implementation of workforce housing programs, while the most successful programs all had access to sizable dedicated funding streams; however, most of the types of funding sources used in other communities would require some form of voter approval as a new tax, meaning that the accessibility of these methods is uncertain. Thus, while establishment of one or more of these

funding mechanisms might be considered a Cornerstone action if successfully implemented, the recommended strategy for the North Tahoe Region is to consider these other funding options Supporting Actions, so that their feasibility can be further explored.

While key stakeholders and participants in the outreach activities conducted as part of this study indicated a significant level of support for the following funding mechanism options, there are specific legal requirements for establishing these mechanisms, and further research is necessary to verify their potential applicability to sub-county areas. Furthermore, campaigns to establish any new funding mechanism should demonstrate the commitment to building housing, by committing that the vast majority of the new funds raised will be used for actual housing development and/or ongoing support of workforce housing, with only limited portions of the new funding used for Housing Council staffing and administrative overhead or other governmental purposes.

Two basic concepts for revenue generation were embraced by significant portions of stakeholders and public who participated in the outreach activities for this study included measures targeted towards financial participation from the broader regional community, spreading the burden across as wide a base as possible, and targeting the mechanisms to specific industries that create a substantial workforce housing need. As in some other resort communities profiled in the case studies prepared for this study, it is possible that stakeholders will determine that it is only feasible for the Town of Truckee to enact one of the mechanisms discussed below, in which case, the Town would need to determine if doing so would create a regional inequity that would be disadvantageous, in which case a partial solution might be for the Counties and Town to establish an MOU that would commit the Counties to dedicating a portion of their countywide revenues to provide some form of match the Town's funds in support of regional affordable housing efforts.

Measures Targeted Toward the Broader Community

Among measures that would affect the broader community, such as property transfer taxes, special sales tax measures, and parcel taxes, a sales tax measure would be able to spread the burden to visitors as well as to owners of local property. For this reason, this is one of the more attractive options; however, this option, like others faces legal hurdles that may be difficult to cross. Local governments, such as the Town and the Counties, can submit sales tax measures to their voters; however, in counties, existing law only provides for measure to be enacted within the entire county including incorporated communities, or in the entire unincorporated area. Although the Town of Truckee could potentially pass a local sales tax measure, the Counties may face difficulty in doing so due to the fact that the majority of their constituents outside of the North Lake Tahoe region may not see the workforce housing crisis as being as acute in their areas as it is in the North Lake Tahoe region. Additionally, if the sales tax proceeds are to be spent strictly for affordable housing, it would constitute a special tax, in which case the measure would need to be approved by two-thirds of the voters in the affected area. If the measure were presented as a general tax that was not dedicated for specific purposes, but which identifies workforce housing production among the potential uses, this would only require a majority voter approval, but would not bring certainty that the legislative body would dedicate the funding solely to workforce housing.

As an alternative to a sales tax measure, regional stakeholders could also consider a parcel tax. If applied to commercial as well as residential properties, it would spread the burden of payment across all sectors of the local economy that occupy real estate. Existing law may provide more flexibility to establish a parcel tax for a sub-county area, such as the Tahoe area of Placer and Nevada Counties, which would likely greatly enhance the feasibility of a parcel tax as compared to a sales tax measure.

Measures Targeted to High Impact Industries

Among measures targeted towards high impact industries, a transient occupancy tax (TOT) that is collected specifically on transient occupancies of residential units, as opposed to traditional lodging establishments such as inns, lodges, hotels, and motels was most desirable. There may also be more legal flexibility in enacting a TOT measure than in enacting a sales tax measure. Feedback during the outreach process for this study indicated that stakeholders are concerned about the viability of an increase in the general TOT, given that there was recently an increase in the regional TOT rate, by two percentage points, within the Town to fund tourism marketing efforts. One alternative may be to work with legislators to earmark a portion of the region's existing TOT for workforce housing development, rehabilitation, and preservation.

Local stakeholders should explore the legal and political viability of a special TOT or other "tax" on the use of housing units (i.e., houses, apartments, and condominiums that were not originally intended for lodging uses) when they are used for occupancy by other than the owners or long-term renters (i.e., occupancies of 30 consecutive days or more, which are exempt from paying transient occupancy taxes). A rationale for this type of approach is that short-term rentals have a significant impact on workforce housing needs, because they simultaneously generate workforce housing demand (associated with the employees of service companies that assist with the maintenance and management of the short-term rentals as well as the retail and service businesses that cater to the local expenditures of the short-term visitors), and also reduce the stock of housing that otherwise would be available to house the regional workforce.

APPENDIX A: STUDY AREA DEFINITIONS

Appendix A: North Tahoe Study Area Definitions

2000 Block Groups	2010 Block Groups	2010 Census Tracts	Zip Codes
60170305031	60170320001	6017032000	95724
60170305032	60570009003	6057000900	95728
60570009001	60570012031	6057001203	96140
60570012011	60570012032	6057001204	96141
60570012012	60570012033	6057001205	96142
60570012013	60570012041	6057001206	96143
60570012014	60570012042	6061020104	96145
60570012015	60570012043	6061020105	96146
60570012016	60570012051	6061020106	96148
60570012017	60570012052	6061020107	96160
60570012021	60570012053	6061022011	96161
60570012022	60570012061	6061022014	96162
60570012023	60570012062	6061022100	96111
60570012024	60570012063	6061022200	
60570012025	60570012064	6061022300	
60610201011	60570012065		
60610201012	60610201041		
60610201013	60610201042		
60610201021	60610201043		
60610201022	60610201051		
60610201023	60610201052		
60610201031	60610201061		
60610201032	60610201062		
60610201033	60610201071		
60610201041	60610201072		
60610201042	60610201073		
60610201043	60610220111		
60610201044	60610220112		
60610201045	60610220141		
60610201051	60610220142		
60610201052	60610220143		
60610201053	60610221001		
60610201054	60610221002		
60610201061	60610222001		
60610201062	60610222002		
60610201063	60610223001		
60610201071	60610223002		
60610201072			
60610201073			
60610201074			
60610220013			
60610220014			
60610220015			
60610220016			

Sources: U.S. Census Bureau, 2000 and 2010; United States Postal Service, Zip Codes, 2015; BAE, 2015.

APPENDIX B: DEMOGRAPHIC AND ECONOMIC TRENDS BY SUBAREA

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APPENDIX C: EMPLOYEE SURVEY RESULTS

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APPENDIX D: EMPLOYER SURVEY RESULTS

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APPENDIX E: TECHNICAL ADVISORY GROUP MEETING MINUTES

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APPENDIX F: MEDIA COVERAGE

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APPENDIX G: PUBLIC FORUM POLICY AND PROGRAM OPTIONS EXERCISE SUMMARY

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APPENDIX H: SPANISH LANGUAGE PUBLIC FORUM SUMMARY

Hosted by the Family Resource Center of Truckee and North Tahoe Family Resource Center
Though public forums were planned throughout the community and translation services were offered, the Study relied on the Family Resource Centers to provide a robust Spanish language discussion. A total of three forums were held in March. The Family Resource Centers translated the data presentation and presented it in Spanish, then facilitated a conversation about challenges and solutions. There was a total of 39 participants across the three Spanish language forums.

Challenges and Solutions Summary

The challenges brought forth at the Spanish language forums echoed what was seen in the data and in the other forums. Long-term residents cannot afford to purchase homes in the region. Workers often live in Reno where they are able to find homes they can afford, though they would prefer to live closer to their jobs. The Spanish language participants also highlighted the challenges of accessing loans when undocumented, accessing deed restricted units, and increasing rents across housing units and mobile home spaces. Mobile homes presented several challenges such as a slow and difficult inspection and title transfer processes and disincentives to request routine maintenance. Safety in mobile home communities that house lots of families has become a concern. Lack of safe play space in mobile home parks leads to kids to be playing in driveways, where a 4-year old was recently hit by a car.

The Spanish language forums identified solutions both large and small, generally focused on keeping the workforce in the community. Building cooperative programs that allow participants to build their own homes or work off a down payment were discussed with interest. There was also interest in establishing an organization or a place to assist community members in applying for loans. Solutions like additional deed restricted units for sale, policies that give preference to long-term residents and workers, and advocacy for homebuyers using assistance programs were echoed throughout the Study.

APPENDIX I: COMMUNITY WORKSHOP SIGN-IN SHEETS AND DEMOGRAPHIC/MEDIA RELEASE FORMS

APPENDIX J: FOCUS GROUP SUMMARIES

End User Focus Group Session Summary
5-3-2016

1. *Really quickly, can I have a show of hands for how many currently live in the Truckee/North Tahoe area? How many work in the Truckee/North Tahoe area?*

2. *Please raise your hand if you renting your home. If you own your home.*

3. *Would anybody who currently rents prefer to buy a home? Vice Versa?*

   - Buying a mobile home was the only option at the time to move out of affordable housing project
     - Used first time home buyers program
     - Housing too small; having kids
   - People rent rooms in other people's homes or live with room-mates

4. *If you are not currently satisfied with your housing situation, what is the primary shortcoming, and what is preventing you from attaining your preferred housing situation?*

   - People don't want to rent units because renters "don't take care of them"
   - Can make more $$ renting on the weekends compared to monthly rentals
   - Too small for families
   - Assistance is limited with difficult requirements
     - Disjointed process
   - Lack of appropriately priced units
   - Poor quality units
   - Diverse housing situations (consumer needs)
   - Demand for housing under $400K is high
   - Martis Fund allows up to 126K per year for income but not as easy to get one of those loans
     - Have to have an offer prior to getting a commitment from the fund
     - Some people get an ag. loan (e.g., Glenshire qualifies)
     - Have to line up the financing and compete with cash buyers
     - May be a price limit on Martis Fund
     - Qualifying income levels are too low for programs
   - Local mortgage companies only offer education to agents
   - 1st time home buyers could benefit from education in what it means to be a home owner – people would be more successful home owners
     - Education about costs like taxes, utilities, home owners' association fees, etc.
   - 2nd home owners are driving market
   - People are buying houses to build equity because they could not afford to buy in the Bay Area
   - Some problems are due to the environmental and infrastructure constraints

    - Is there really infrastructure capacity due to the different levels of usage by part-time residents?
- Middle income families cannot afford market rate housing

5. *Do you believe you can find a suitable housing situation in the Truckee/North Tahoe region by searching within the available market rate housing stock? If no, why not?*

    - Owners could (and do) rent part of the home to generate income – rent a room and also generate income, which help pays the mortgage
    - There are people who are living in truly substandard conditions because the owners know they can easily find another renter

6. *If you had the choice and the available units met your needs, would you consider living in a subsidized apartment complex? If no, why not?*

    - Multi-generational families living in the subsidized housing because they don't have a stepping stone out to more moderately priced housing
    - Lower income housing doesn't motivate people to increase their income
        - Scared to become more successful for fear of losing housing
    - Desire for a single-family home (ownership options, more suitable for family)
    - Winter Creek – tract homes, close together

7. *If you had the choice and the available unit met your needs, would you consider purchasing a below-market rate housing unit to live in, understanding that when you were ready to sell the home, you would likely face restrictions on the price for which you could sell it, limiting your equity appreciation? If no, why not?*

    - Formula for equity sharing needs to allow for credit, maintenance and upkeep costs

8. *What do you think is the most important thing that local policy-makers could do to help improve housing availability for people who work in the Truckee/North Tahoe area?*

    - Better seasonal housing could help address the reputation of bad renters
    - Transfer type tax on 2nd homes?
    - Additional TOT for housing
    - Secondary units
        - More housing
        - Makes ownership more affordable
    - Betsy Row, TX is a nice example
    - Develop multi-generational communities – co-housing done intentionally to meet specific lifestyle needs
    - People need to be able to get out of the roommate situation

- 7090 West Lake Blvd. – West Shore and Sonoma Pines PUD
- Coordination of housing for all types of housing
- Keep people here so it's not just 2nd owners
- Create a way to equalize and get other sectors involved
- Tahoe Fund adds $1 to the bill of restaurants
- High wages can be subsidized to help with affordability
- Brentwood program – Habitat for Humanity model
- Builders can write off part of their costs for subsidized as a tax write off
- Restrict certain housing for local residents and/or employees
- Employee housing for seasonal employees is ok but not so good for permanent workers
- Napa tax on 2nd units
    - Housing Vacancy Tax?
- Town charges 2% on top of the TOT that is used for promotion
        - How about another TOT charge for housing?
- Housing resorts could provide housing for seasonal renters. Resorts could reach out to owners of vacant units in the resorts
    - Northstar has tried this in the past
- Need for more/stricter code enforcement

Other Comments on Needs/Opportunities

- Adults don't want a roommate situation
- Desire for different housing types
    - Domus, not Truckee Pines
    - Multi-generational/co-housing
- Supply will always be limited
- Look at other solutions
    - Minimum Wage?
    - Sweat Equity
    - Leveraging tax loop-holes and charitable deductions
    - Vacancy Tax?
    - Other Options?
- Resorts need to do more

Employer Focus Group Summary
5-11-2016

1. *First, we would just like to go around the table and have each of you spend just a minute or two sharing how regional housing availability and affordability affects business and/or what your business does to help employees with their housing needs.*

- Lost 2 workers in 1 month
  - Workers are trading lower wages [in places like Reno] for lower costs
  - People have multiple jobs
  - Have to accommodate multiple schedules
- After opening up, Rite-aid hired 28 workers, only 5 of whom remain
- Starbucks has an emergency fund funded by voluntary contributions from workers
  - Used for one-time assistance
- Have relocation assistance, but no housing assistance
- Provide housing placement assistance
- Sawmill heights no longer Northstar specific
  - Has a waiting list
- Pay higher wages to recognize housing costs
- ½ of full time employees live in Sparks
- Very hard for seasonal employees to find housing and a challenge to recruit and retain quality employees and trickling down to full time employees
- CC has struggles with people who are $35-55K, but even $100K plus employees is still tough – almost 470 employees total, 120 still remain in Truckee
- Have 21 inquiries for a <u>rental</u> in 1 day
  - Have lost 2 workers in the last month because of housing
  - Many people have multiple jobs
  - <u>Interview and hire weekly</u>
  - Starbucks has an employee fund that can assist employees
  - CC has same relocation assistant structure
- Northstar does have staff person that tries to help people find housing
  - Sawmill Heights has a long wait list
  - Just have to pay more

2. *As an employer, what do you see as the appropriate role of businesses in addressing regional housing concerns?*

- Already paying higher wages
- Need to educate the populace on the need to retain workers in order to provide services
- Need help to coordinate the effort
- Businesses would be interested in partnerships
- Need for incentives
- General lack of awareness of challenges

- Businesses can help to educate the community about the issue
- Somebody could pull together all the players and organize; businesses will participate
- Businesses recognize the challenges and want to…
- Need for broad resources
- Need a combination of business/industry specific (J1?) and broader community resources
- Create coordinated MLS-type portal
- AirBnB/VRBO effect
- All boats raise with a rising tide – should supply broad community benefits; rather than projects that are specific to industry employees
    - Many small businesses – can't go it alone
    - Larger resorts could provide some of their own employees housing and/or seasonal housing
    - Also need public transit and services to serve housing
- Chamber is looking from a larger tax base perspective
- Can service and resort community come together and produce a portal to housing availability?

3. *Would your business be willing to provide financial support to projects that would:*
    a. Benefit the regional workforce generally
    b. *Benefit your employees exclusively*
        - *Or –*
    c. *Don't think that businesses should be involved with employee housing*

- Higher density at odds w/ TRPA regulations
    - What is the appetite for density?
- Need good projects put forward [that they can get behind]
- Employers role – don't want to get involved in production, do pay more in wages
- Return on investment needed for businesses

4. *Similarly, what would be the business community's willingness to accept and/or support the use of the following funding mechanisms, if the funding generated was set aside for the provision and preservation of affordable and/or workforce housing?*

    a. *TOT increase*
    b. *Sales tax increase*
    c. *Parcel tax increase*
    d. *Transfer tax increase (Town only)*

- What could a .5% sales tax yield?
- Is it possible to raise funds from only a portion of Placer and Nevada counties?
- Sales tax would have a broad impact
  - Probably not a majority view
- Legislative challenges to passing ballot initiative
- Parcel tax would spread the burden across the whole community
  - Could raise significant funds
  - Could enable bond issuance
    - Look at Measure U example
- Lodging industry already assessing another 2% for marketing
  - Not much interest in increasing TOT further
- Like the idea of resident and employee restrictions
  - How do you treat households with multiple income earners?
- Identify need and build solutions around that!!!
- Chamber had vetted other options – parcel tax came to the top of the list
  - Community wide all sectors
  - Applies to second homeowners
  - Likes sales tax because it is broad
- Look at a bond issue to finance
  - Measure U was a school district bond that was successful
- Truckee just added a 2% TBID
- Restricted occupancy vs. income restrictions
  - Enforcement is difficult
  - Who qualifies etc.?
  - Could be part of a multifaceted issue

5. *Please describe your perspective on the existing workforce housing mitigation requirements, such as the Town's requirement to provide housing for 50 percent of the new employment generated by proposed new commercial, resort, and institutional projects.*

- What are the incentives?
  - Tax abatement or per employee rebate
  - Housing guarantee
- Need better tracking on how [impact and in-lieu] fees are used (transparency)
- Perspective on existing mitigation requirements – what kind of incentives could be offered – tax abatement
- Placer County requirement – people take the fee option and then need the accountability of the use of fees

6. *Can you think of any ways that businesses and local government could work better together to work towards meeting employee housing needs?*

- Coordinated w/ transit and services
- Get together more often
- Discuss what works and what does not
- Perception that the needs of a business don't matter to the community
- Education of 2nd home owners
- Bring in Special Districts
- Coop/ with Govt. – have business and local government get together to discuss something approaches
- Create incentives to homeowners to make the homes available for year-round use
- Education component for second homeowners about the housing needs and issues

Local Government and Related Agencies Focus Group Summary
5-11-2016

1. *First we would like to go around the table and have each of you take a minute or two to share how regional housing availability and affordability has affected your jurisdiction.*

   Responses
   - Soda Springs is the main area for Nevada County –level of affordable housing and lack of housing stock affordability, not much new construction
   -
   - TTUSD has a huge service area- covers 5 counties. 11 spec. districts, 549 employees. Most employees live in district, 64 living in Nevada tend to be certificated but some managers as well. Many teachers live in rentals and share housing with other teachers. Lots of people who come for Tahoe dream but then leave after a few years
     - Schools are actually enrolling more students:
       - Some people are coming back to schools who used to go out of the district
     - The number of businesses that serve full time locals around the lake has declined
     - Martis Valley West – potentially ~600 new housing units
     - Town can do a better job of providing services if more employees live in the area - 100/140 live in greater Truckee area
     - Full time residents support the community
     - Town has added 6,000 units since incorporation, commercial development may replace construction as major employer as construction activity slows

2. *What types of programs and approaches has your jurisdiction implemented to address housing needs and how has it worked out?*

   - TRPA doesn't have a housing person; focus on area plans; Second unit amendments are coming; Growth management policies are being worked on; comments on lack of moderate income housing; short term rentals, motels as de facto housing
   - TTUSD development fee study has good pipeline list of development projects
   - Nevada County – conservative county, RDA was a resource, projects have been very slow to approve – Cathy is single affordable housing staff person for the whole of Placer County; limited capacity and support

3. *Are there any programs or approaches that your jurisdiction interested in trying? If so, what have been the barriers to moving forward?*

- Town Council looking to spend some general fund money on housing in response to study
  a. Incentives – working on it
- Nevada county inclusionary was dropped, but retained in the Truckee sphere. Have not had projects that it applies to – no production
  a. Nevada Co. part of Nev/Sutter Co. Reg. Housing Authority
  b. Downpayment assistance program provides about $60,000/unit
- Problem has been enforcement of existing regulations, in Placer. Missing RDA. HUD NSP dollars have been used
- KB Now had around $35 million in subsidies for 77 units
  a. Hard to go over 10 du per acre in Placer anywhere
     i. no community support
  b. Significant portions of Placer program is Martis Fund loans; can go up to 180% AMI; some people may not need the money but they have to be full-time residents
- Placer Co. has an employee stipend for high cost of area
- TRPA – working on policy changes for 2012 Plan Update –
  a. Commodity system
  b. Residential bonus units – has not been used since 2012
  c. Looking for ways to reduce barriers in policies
     i. Need to reduce complexities of overall regs.
     ii. Town center area mixed use changes are good but need Council to adopt area plans
     iii. Short-term vacation rental restrictions are being looked at in SLT
  d. APA article – Will You Be My Neighbor
  e. Cayucos has limits on short-term rentals
  f. Short term rentals hurt hotels
- Inclusionary housing policy
  - Nevada County dropped it, but not in the Truckee sphere
- No in-lieu or inclusionary in Nevada County
  - Negotiating to release projects from existing obligations
- Part of regional housing authority (Nevada County)
- Limited rental and ownership assistance
  - Limited funding availability
- Employee housing mitigation requirements get negotiated down or removed
- Lack of support for > 10 du/ac
- Martis fund transfer fund created homebuyer assistance for up to 180% ami
  - Required to have 1 person working full time in eligible area
  - Up to 10% of the purchase price, up to $140k-$160k
- Housing stipend not tied to local residency
- TRPA commodity system and residential bonus units not being used

    - Lacking support to push forward programs needed to reduce complexity of the system
    - Allowing more mixed use in the area plans (slow to be adopted)
    - Nothing in area plans restricting mixed use units to residents (full time) or employees
- South Lake Tahoe is looking at placing restrictions on short-term rentals
- Charge the same sewer connection fees to all types of development
    - Could benefit from a review of sewer and water conditions throughout the region
    - TTSA connection fee is the big one
    - Move to fixture counts?
- Truckee allows 2nd units by right
    - Large developments don't allow in CC&R's (like Tahoe Donner)
    - Connection fees are prohibitive
    - Multifamily changes community character, second units do not
- PUD's also have land and some are willing to participate in solutions, but need guidance and assistance
- Placer and Nevada counties are already collaborating on health and human services
- Fee waivers and deferrals can trigger prevailing wage
- Could apply to waivers for second units

4. *What do you see as the pros and cons of establishing a collaborative regional approach to Truckee/North Tahoe housing challenges vs. individual jurisdictions working independently?*

- Regional Housing Entity
    - Could be a way to get leadership
    - A constant will be the TRPD regulations on top of local government regulations.
    - Sewer connection fees – need to be stratified by type and size of unit
    - Town allows second units but has not built many. Fee burden is high. CC&Rs have prevented them
        - Would like to incentive constriction of second units
    - Need a template for a program to promote loans for employees to purchase housing
        - Also as a landlord to provide housing for employees
    - Placer/Nev. CO has a good model for regional health and human services for students
    - 44% of school district families live in poverty
    - Fee deferral and waivers could trigger prevailing wage; this can limit benefits unless the developer has already triggered it
- Mixed experience with Sutter, Yuba, and Nevada County Housing Authority
    - Not as much leveraging of resources as expected
    - Being too diverse can be an issue (e.g., programs and constituents)
    - Mainly saved the County on employee costs

    - Has not increased effectiveness
- Sees potential for something like Mammoth Lakes Housing
- Housing authority can do programs, interested in an entity that can do projects
    - Don't make reluctant developers do housing, provide a partner that can do it better
    - Would contribute $$ and do what they can to be part of the solution
    - Need an expert to walk people through the process
        - Compare TRPA to Truckee, etc.
    - Also need an educational component
        - E.g., There are examples of good design
        - Continually give out good materials/information to local government boards
    - Need to focus on missing middle
        - Market rate rental
        - More affordable ownership options

5. *Would your agency consider entering into an MOU, Joint Powers Authority, or other mechanism that would involve pooling resources and sharing governance in order to address regional housing needs? Why or why not?*

- Nev/Sutter co./Yuba – Regional Housing Authority
    - Everybody needs to bring something to the table
    - Monies stay in each jurisdiction
    - Risk of losing focus on the mission
    - Risk of spreading too thin
    - Biggest benefit has been some economies of scale
- Much more focused on entity that can get things done. Looking for developer partners, but has to be one that aligns interests a dedicated entity would meet that need
- Need to outsource workforce housing compliance to a third party because developers don't want to succeed at it
- Regional entity could be a means for smaller entities to get involved
- Public/private partnerships
- Public perceptions have been challenged – need education about what affordable housing can be:
    - Mixed income, higher density
    - Case studies, best practices
    - TRPD needs education and advocacy

6. *Do residents and businesses within the Truckee/North Tahoe area feel that housing affordability and availability are a severe enough problem to warrant considering strategy options that would place limitations on how housing can be used (e.g.,*

restricting occupancy to people who work in the area) or placing limitations on sales prices?

- Town needs missing middle housing
    - Market rate rental
    - Moderate income ownership
    - Needs to target 80%-120% AMI – they are not getting any assistance now
- Conceptually like the resident/work force restriction on new housing
    - Concerned with monitoring and enforcement
- Shared appreciation – makes it hard to sell BMR units
- Restrictions on properties used for vacation rentals
    - Require one unit to be used for year around occupancy
    - Restrict rentals in residential areas
- Can regulate land use, but regulating behavior is too hard
- Creation of inherently affordable units

APPENDIX K: WORKFORCE HOUSING DEMAND ESTIMATE DETAILED TABLES

Appendix K-1: Gross Workforce Housing Demand by Unit Size, Affordability Level, and Worker Type, Truckee North Tahoe Study Area

Year-Round Resident Workforce Housing Demand

	Unit Size (a)				Total,
Income Category	Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	**All Units**
Extremely Low Income (≤ 30% of AMI)	137	151	106	24	417
Very Low Income (> 30% ≤ 50% of AMI)	132	309	206	0	648
Low Income (> 50% ≤ 80% of AMI)	206	525	361	158	1,250
Moderate (> 80% ≤ 120% of AMI)	151	590	636	318	1,696
Above Moderate (>120% AMI)	186	1,626	2,004	619	4,436
Total, All Income Categories	**812**	**3,202**	**3,314**	**1,119**	**8,447**

Seasonal Resident Workforce Housing Demand

	Unit Size (a)				Total,
Income Category	Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	**All Units**
Extremely Low Income (≤ 30% of AMI)	63	32	142	63	301
Very Low Income (> 30% ≤ 50% of AMI)	79	48	143	127	396
Low Income (> 50% ≤ 80% of AMI)	16	111	222	63	412
Moderate (> 80% ≤ 120% of AMI)	32	111	127	16	285
Above Moderate (>120% AMI)	111	254	206	48	618
Total, All Income Categories	**301**	**555**	**839**	**317**	**2,012**

Non-Resident (In-Commuter) Workforce Housing Demand

	Unit Size (a)				Total,
Income Category	Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	**All Units**
Extremely Low Income (≤ 30% of AMI)	50	0	151	100	301
Very Low Income (> 30% ≤ 50% of AMI)	150	200	551	250	1,152
Low Income (> 50% ≤ 80% of AMI)	250	501	702	150	1,603
Moderate (> 80% ≤ 120% of AMI)	351	351	601	250	1,553
Above Moderate (>120% AMI)	301	1,453	1,202	451	3,407
Total, All Income Categories (b)	**1,102**	**2,505**	**3,207**	**1,202**	**8,016**

Workforce Housing Demand, All Worker Types

	Unit Size (a)				Total,
Income Category	Studio	1-Bedroom	2-Bedrooms	3+ Bedrooms	**All Units**
Extremely Low Income (≤ 30% of AMI)	250	183	399	187	1,019
Very Low Income (> 30% ≤ 50% of AMI)	361	557	900	377	2,196
Low Income (> 50% ≤ 80% of AMI)	472	1,137	1,285	371	3,265
Moderate (> 80% ≤ 120% of AMI)	534	1,052	1,364	584	3,534
Above Moderate (>120% AMI)	598	3,333	3,412	1,118	8,461
Total, All Income Categories	**2,215**	**6,262**	**7,360**	**2,638**	**18,475**

Notes:
(a) Assumes occupancy of the smallest available unit, while avoiding overcrowding (i.e., more than two persons per bedroom). For example, one person households occupy studio units, two person households occupy 1-bedroom units, three and four person households occupy 2-bedroom units, and so on.
(b) Includes housing demand generated by all non-resident (in-commuter) workforce households.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, Public Use Microdata Sample, 2016; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2016; U.S. Census Bureau, Nonemployer Statistics, 2016; California Department of Housing and Community Development, Income Limits, 2016; BAE, 2016.

Appendix K-2: Year-Round Resident Workforce Households by Income Category, Truckee North Tahoe Study Area

Year-Round Resident Workforce Households

Income Category	Household Size: 1-Person	2-Person	3-Person	4-Person	5+ Person	Total, All Households	Total, Workers
Extremely Low Income (≤ 30% of AMI)	137	151	69	37	24	417	684
Very Low Income (> 30% ≤ 50% of AMI)	132	309	35	171	0	648	1,058
Low Income (> 50% ≤ 80% of AMI)	206	525	238	123	158	1,250	2,040
Moderate (> 80% ≤ 120% of AMI)	151	590	296	340	318	1,696	2,761
Above Moderate (>120% AMI)	186	1,626	1,051	953	619	4,436	7,219
Total, All Income Categories	**812**	**3,202**	**1,690**	**1,624**	**1,119**	**8,447**	**15,024**

As % of all Year-Round Resident Workforce Households

Income Category	Household Size: 1-Person	2-Person	3-Person	4-Person	5-Person	Total
Extremely Low Income (≤ 30% of AMI)	1.6%	1.8%	0.8%	0.4%	0.3%	4.9%
Very Low Income (> 30% ≤ 50% of AMI)	1.6%	3.7%	0.4%	2.0%	0.0%	7.7%
Low Income (> 50% ≤ 80% of AMI)	2.4%	6.2%	2.8%	1.5%	1.9%	14.8%
Moderate (> 80% ≤ 120% of AMI)	1.8%	7.0%	3.5%	4.0%	3.8%	20.1%
Above Moderate (>120% AMI)	2.2%	19.3%	12.4%	11.3%	7.3%	52.5%
Total, All Income Categories	**9.6%**	**37.9%**	**20.0%**	**19.2%**	**13.3%**	**100.0%**

Note:
(a) Excludes w orkers living in group quarters or households w ith >8 persons, w hich represent only approximately 1.5 percent of w orkers.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, Public Use Microdata Sample, 2016; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2016; U.S. Census Bureau, Nonemployer Statistics, 2016; California Department of Housing and Community Development, Income Limits, 2016; BAE, 2016.

Appendix K-3: Seasonal Resident Workforce Households by Income Category, Truckee North Tahoe Study Area

Seasonal Resident Workforce Households

Income Category	Household Size: 1-Person	2-Person	3-Person	4-Person	5+ Person	Total, All Households	Total, Workers
Extremely Low Income (≤ 30% of AMI)	63	32	63	79	63	301	482
Very Low Income (> 30% ≤ 50% of AMI)	79	48	111	32	127	396	634
Low Income (> 50% ≤ 80% of AMI)	16	111	127	95	63	412	660
Moderate (> 80% ≤ 120% of AMI)	32	111	111	16	16	285	457
Above Moderate (>120% AMI)	111	254	95	111	48	618	989
Total, All Income Categories	**301**	**555**	**506**	**333**	**317**	**2,012**	**3,222**

As % of all Seasonal Resident Workforce Households

Income Category	Household Size: 1-Person	2-Person	3-Person	4-Person	5-Person	Total
Extremely Low Income (≤ 30% of AMI)	3.1%	1.6%	3.1%	3.9%	3.1%	15.0%
Very Low Income (> 30% ≤ 50% of AMI)	3.9%	2.4%	5.5%	1.6%	6.3%	19.7%
Low Income (> 50% ≤ 80% of AMI)	0.8%	5.5%	6.3%	4.7%	3.1%	20.5%
Moderate (> 80% ≤ 120% of AMI)	1.6%	5.5%	5.5%	0.8%	0.8%	14.2%
Above Moderate (>120% AMI)	5.5%	12.6%	4.7%	5.5%	2.4%	30.7%
Total, All Income Categories	**14.9%**	**27.6%**	**25.2%**	**16.5%**	**15.7%**	**100%**

Sources: U.S. Census Bureau, 2010-2014 American Community Survey, Public Use Microdata Sample, 2016; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2016; U.S. Census Bureau, Nonemployer Statistics, 2016; California Department of Housing and Community Development, Income Limits, 2016; BAE, 2016.

Appendix K-4: Year-Round Non-Resident (In-Commuter) Workforce Households by Income Category, Truckee North Tahoe Study Area

Non-Resident (In-Commuter) Workforce Households

	Household Size					Total, All	Total,
Income Category	1-Person	2-Person	3-Person	4-Person	5+ Person	**Households**	**Workers**
Extremely Low Income (≤ 30% of AMI)	50	0	151	0	100	301	481
Very Low Income (> 30% ≤ 50% of AMI)	150	200	301	250	250	1,152	1,844
Low Income (> 50% ≤ 80% of AMI)	250	501	351	351	150	1,603	2,565
Moderate (> 80% ≤ 120% of AMI)	351	351	451	150	250	1,553	2,485
Above Moderate (>120% AMI)	301	1,453	651	551	451	3,407	5,451
Total, All Income Categories	**1,102**	**2,505**	**1,905**	**1,302**	**1,202**	**8,016**	**12,826**

As % of all Non-Resident (In-Commuter) Workforce Households (a)

	Household Size					
Income Category	1-Person	2-Person	3-Person	4-Person	5-Person	**Total**
Extremely Low Income (≤ 30% of AMI)	0.6%	0.0%	1.9%	0.0%	1.3%	3.8%
Very Low Income (> 30% ≤ 50% of AMI)	1.9%	2.5%	3.8%	3.1%	3.1%	14.4%
Low Income (> 50% ≤ 80% of AMI)	3.1%	6.3%	4.4%	4.4%	1.9%	20.0%
Moderate (> 80% ≤ 120% of AMI)	4.4%	4.4%	5.6%	1.9%	3.1%	19.4%
Above Moderate (>120% AMI)	3.8%	18.1%	8.1%	6.9%	5.6%	42.5%
Total, All Income Categories	**13.8%**	**31.3%**	**23.8%**	**16.2%**	**15.0%**	**100%**

Sources: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, 2016; California Department of Housing and Community Development, Income Limits, 2016; BAE, 2016.

APPENDIX L: OTHER CASE STUDY SUBJECTS

This section summarizes the results of the research conducted during the initial screening of potential case study research subjects. The following profiles provide a brief overview of the community context within which each program is being implemented, key program components, such as target affordability levels and program structure, and a summary of the results that have been reported for each program, as identified through a review of the readily available research reports, administrative reports, and policy documents.

Boulder, CO

Appendix L-1: Community Characteristics, City of Boulder and Boulder County, Colorado

	City of Boulder, CO	Boulder County, CO	Truckee North Tahoe Study Area
Demographics			
Population	102,002	305,166	30,251
Households	41,687	121,526	11,802
Median Household Income	$58,062	$69,407	$67,079
Housing			
Median Rental Rate	$1,203	$1,149	$1,278
Median Home Sale Price (a)	$517,988	$382,888	$538,000 (b)
Economy			
Jobs in Region	88,963	163,078	15,825
Live Outside Region (c)	*76.6%*	*51.8%*	*58.6%*

Notes:
(a) Includes the median home sale price for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: According to Zillow.com, the November 2015 median home price in Boulder, Colorado, was $560,000, which is more than two and a half times the national average. The city has made attempts to expand the workforce housing stock, adopting an Inclusionary Housing Ordinance in 1981, which requires that 20 percent of all new housing developments with more than four units be deed restricted affordable for households at or below 80 percent of the area median income (AMI).[99] However, the 2010 Boulder Valley Comprehensive Plan still identified the lack of housing options for low- and moderate-income households and families as a key policy focus for both the City and

[99] City of Boulder. (2015). *Municipal Code* (Title 9, Chapter 13). Available at: https://www.municode.com/library/co/boulder/codes/municipal_code?nodeId=TIT9LAUSCO_CH13INHO

County.[100] Recent years have seen more progress, with the city increasing its percentage of permanently affordable housing from 3.6 percent in 2000 to 7.2 percent in 2014, thus making significant progress toward meeting the 10 percent goal established under the comprehensive plan.[101] However, challenges persist with regard to the diversification of the housing stock and the expansion of workforce housing opportunities for larger households and families. For example, approximately three-quarters of the deed restricted housing stock in Boulder are one-bedroom apartment units, while only six percent are larger single-family units. Yarmouth Way was developed to address this gap by offering larger (i.e., two bedrooms and larger) for-sale workforce housing units.

Marquee Program: Yarmouth Way Development

Date(s) Established: The property was acquired in 2011 and development was completed in 2012.

Program Overview: Yarmouth Way is a 1.82-acre homeownership development containing 25 housing units.[102] While only 10 of the housing units are deed restricted, the remaining 15 are intended as moderately priced market-rate units. The project includes two-, three-, and four-bedroom units and range from approximately 1,000 square feet for a two-bedroom duplex unit to approximately 2,400 square feet for a four-bedroom, single-family detached house. The project was developed by 4655 Yarmouth, LLC, a partnership between Thistle Communities, a nonprofit developer, and Allison Management, a for-profit developer. The development's financial structure minimizes public subsidy through the sale of market-rate units. This is because the ratio of market-rate to affordable units allowed the sales of market-rate homes to offset the losses associated with the deed restricted units. Sales prices for market-rate units ranged from $275,000 to $450,000, while prices for deed restricted units sold for between $208,000 and $237,300.[103] Income limits are established in the City's inclusionary housing ordinance.[104] [105] The average development cost per unit was approximately $253,000 and the project's total cost was just over $6.3 million.[106] Thistle Communities was able to secure financing through its revolving predevelopment fund, as well as through Community Housing

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[100] City of Boulder. (2010). *The Boulder Valley Comprehensive Plan*. Available at: https://www-static.bouldercolorado.gov/docs/boulder-valley-comprehensive-plan-2010-1-201410091122.pdf
[101] HUD. (2016). *Boulder, Colorado: Infill Workforce Housing* (Case Study). Available at: https://www.huduser.gov/portal/casestudies/study_01272015_1.html
[102] Urban Land Institute. (2013). *Jack Kemp Workforce Housing Models of Excellence Awards*. Available at: http://uli.org/wp-content/uploads/ULI-Documents/YarmouthWay_in-layout_Final.pdf
[103] HUD. (2016). *Boulder, Colorado: Infill Workforce Housing* (Case Study). Available at: https://www.huduser.gov/portal/casestudies/study_01272015_1.html
[104] City of Boulder. (2015). *Municipal Code* (Title 9, Chapter 13). Available at: https://www.municode.com/library/co/boulder/codes/municipal_code?nodeId=TIT9LAUSCO_CH13INHO
[105] City of Boulder (2015). *Inclusionary Housing Ordinance Administrative Regulations.* Available at: https://www-static.bouldercolorado.gov/docs/IH_Admin_Reg_adopted_9.27.15-1-201510191448.pdf
[106] HUD. (2016). *Boulder, Colorado: Infill Workforce Housing* (Case Study). Available at: https://www.huduser.gov/portal/casestudies/study_01272015_1.html

Capital/Mile High Community Loan Fund, a Community Development Financial Institution (CDFI). Additional funding was provided by the City from revenues generated through the in-lieu fee program.

Targeted Affordability Levels: Deed restricted units are targeted towards families earning between 69 and 109 percent of the AMI.[107]

What Results Have Been Reported from the Program? The foremost outcome was the creation of 10 deed restricted affordable housing units and 15 low-cost market rate housing units.[108] The project was also awarded the Jack Kemp Workforce Housing Model of Excellence Award by the ULI based on the project's ability to provide workforce housing with minimal subsidy, as well as for exceeding environmental and affordable housing minimum requirements.[109]

Comments on Replicability:
This represents an interesting model for affordable housing development that could provide one option for future implementation in the Truckee-North Tahoe region. Through close cooperation, non-profit developers can leverage the greater profitability of market-rate housing. The for-profit developer, by comparison can secure things like streamlined permitting and other governmental concessions, as well as monetary contributions and subsidies, such as tax credits, grant funds, land dedications, and other government contributions. This type of arrangement can help to reduce the amount of governmental subsidy that is required while preserving the necessary profit margin for the for-profit developer and streamlining the development and approvals processes.

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[107] *Ibid.*
[108] *Ibid.*
[109] Urban Land Institute. (2013). *Jack Kemp Workforce Housing Models of Excellence Awards*. Available at: http://uli.org/wp-content/uploads/ULI-Documents/YarmouthWay_in-layout_Final.pdf

Rural Resort Region, CO

Appendix L-2: Community Characteristics, Rural Resort Region and State of Colorado

	Rural Resort Region, CO	State of Colorado	Truckee North Tahoe Study Area
Demographics			
Population	186,994	5,197,580	30,251
Households	69,172	1,998,314	11,802
Median Household Income	$64,315	$59,448	$67,079
Housing			
Median Rental Rate	$1,047	$969	$1,278
Median Home Sale Price (a)	$172,330-$696,000	$278,225	$538,000 (b)
Economy			
Jobs in Region	98,733	2,366,928	15,825
Live Outside Region (c)	*34.6%*	*1.5%*	*58.6%*

Notes:
(a) Includes the range of median home sale prices for the Rural Resort Region counties for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: The Rural Resort Region (RRR) is a multijurisdictional collaboration formed in 1996 between five Colorado counties.[110] The purpose was to provide a forum through which these jurisdictions could address regional issues resulting from a dependence on seasonal resort economies. This regional partnership expanded in the early 2000s to include eight counties (Clear Creek, Eagle, Garfield, Grand, Jackson, Lake, Pitkin, and Summit) and five municipalities (Dillon, Fraser, Grand Lake, Leadville, and Silverthorne), as well as Colorado Mountain College, and the Vail Valley Chamber and Tourism Board.[111] In 2003, the RRR membership selected “mountain workforce housing” as their primary focus area.[112] The RRR subsequently created four committees with the directive that each would research a different aspect of the regional workforce housing issues and develop a prioritized list of recommendations, program alternatives, and strategic partnerships. The results of this work program were then presented at the 2003 Summit on Mountain Workforce Housing,

[110] Colorado Housing and Finance Authority and Northwest Colorado Council of Governments. (2003). *Housing Your Workforce: A Resource Guide for Colorado Rural Resort Employers*. Available at: http://www.eaglecounty.us/uploadedFiles/ECG_Website/Housing_and_Development/Developers/HousingYourWorkforceGuide(2).pdf
[111] *Ibid.*
[112] *Ibid.*

including the final draft of *Housing Your Workforce – A Resource Guide for Colorado Rural Resort Employers*.[113] The purpose of the publication was to provide employers within the region with a set of tools that they could use better address housing needs as a way to improve worker recruitment and retention.

Marquee Program: Housing Your Workforce – A Resource Guide for Colorado Rural Resort Employers

Date(s) Established: September 2003.

Program Overview: The purpose of the housing resource guide is to provide employers with a step-by-step process through which they can establish an employee housing benefit program. The guide is divided into seven chapters, including:[114]

1) Assessing Employee's Housing Needs and Employee Retention Issues – Outlines methods – including surveys and focus groups – for assessing housing needs;
2) Employer Assisted Housing Programs – Provides examples of employer-assisted housing programs, such as down payment and rental assistance, among others;
3) Assessing What the Workforce Can Afford – Outlines methods for evaluating the ability to pay for housing so as to determine the appropriate type and amount of housing assistance;
4) Paying for Housing Assistance Benefits – Reviews possible methods for funding private benefits programs, focusing on the real costs of turnover and recruitment;
5) The Tax Benefits of Housing Assistance Programs – Reviews the tax benefits available to employers that implement housing benefits programs;
6) Examples of Employer Assisted Housing Programs – Provides examples of housing benefits programs in use (as of 2003) by regional employers;
7) Housing Assistance Program Administration – Describes additional services available to employers who require assistance with establishing or operating a housing benefits program.

Targeted Affordability Levels: Not applicable.

What Results Have Been Reported from the Program? As of 2003, there were 25 employers, ranging from 5 to 2,400 employees that had housing benefit programs.[115]

Comments on Replicability:
Producing a resource guide similar to that created for the Rural Resort Region would require a relatively small budget (e.g., $40,000-$60,000), but may be able to leverage research conducted for other purposes, such as this assessment of workforce housing needs. Additional research would be necessary to document the various benefits programs that are

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[113] *Ibid.*
[114] *Ibid.*
[115] *Ibid.*

currently in use by private employers within the Truckee-North Tahoe region, to identify additional resources that may be available, and to outline programmatic structures what would work for a wide array of business types. The potential impact of such an effort may be limited as it would rely on the voluntary participation of private sector employers and their employees, and may vary considerably between employers.

San Francisco, CA

Appendix L-3: Community Characteristics, City of San Francisco and State of California

	City of San Francisco, CA	State of California	Truckee North Tahoe Study Area
Demographics			
Population	829,072	38,066,920	30,251
Households	348,832	12,617,280	11,802
Median Household Income	$78,378	$61,489	$67,079
Housing			
Median Rental Rate	$1,533	$1,243	$1,278
Median Home Sale Price (a)	$1,124,775	$419,175	$538,000 (b)
Economy			
Jobs in Region	668,270	15,614,666	15,825
Live Outside Region (c)	*61.4%*	*0.9%*	*58.6%*

Notes:
(a) Includes the median home sale price for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: In 2012 and 2014, the U.S. Congress approved appropriations to the U.S. Department of Housing and Urban Development (HUD) which were set aside for the establishment of the Rental Assistance Demonstration (RAD) program.[116] The RAD program has two distinct components. The first allows housing projects that receive funding through the Public Housing and Section 8 Moderate Rehabilitation programs to convert their assistance to long-term, project-based Section 8 rental assistance contracts, project-based vouchers, or project-based rental assistance. All conversions occurred at existing subsidy levels. The 2012 appropriation authorized conversion assistance for up to 60,000 units, which was later increased to 185,000 units.[117] The second component of the RAD program allows owners of projects funded under the Rent Supplement, Rental Assistance Payment, and Section 8 Moderate Rehabilitation programs to convert tenant protection vouchers to project-based vouchers upon contract expiration or termination.[118] There is no cap on the number of units that can convert assistance under this component. By allowing the conversion of units from HUD's legacy housing programs to long-term Section 8 contracts,

[116] HUD. (2015). *Rental Assistance Demonstration (RAD).* Available at: https://www.hudexchange.info/programs/rad/
[117] HUD. (2016). RAD Program Details. *Rental Assistance Demonstration.* Available at: http://portal.hud.gov/hudportal/HUD?src=/RAD/program-details
[118] *Ibid.*

HUD permits public housing authorities to renew funding contracts using terms that favor modernization and long-term preservation.[119] By leveraging an established network of lenders, the RAD program facilitates the preservation of affordable housing units that may otherwise be subject to demolition. The program establishes a reliable funding stream, while allowing increased operational flexibility.

Marquee Program: RAD Portfolio Conversion

Date(s) Established: Initial RAD application submitted in September 2014. Financing was secured through Bank of America-Merrill Lynch in July 2015.

Program Overview: In December of 2012, HUD identified the SFHA as "troubled" due an unaddressed backlog of $270 million in immediate rehabilitation and replacement needs and an anticipated future need of approximately $15 million per year.[120] In response, The City and County of San Francisco and the San Francisco Housing Authority (SFHA) engaged in a Public Housing Re-Envisioning process that concluded in July 2013.[121] Consistent with that process, the SFHA submitted an application for participation in the RAD program that would transition a total of 4,575 units located at 41 separate properties to conversion from HUD legacy programs to project-based Section 8 contracts. This conversion established a more reliable revenue stream that allowed the SFHA to transfer ownership (improvements only) and operations to key strategic partners, primarily non-profit affordable housing developers. The conversion and transfer made the projects eligible for both Low Income Housing Tax Credit (LIHTC) and tax exempt bond financing that was previously unavailable.[122] Following approval of the conversion in 2014, the SFHA underwent a solicitation to select the preferred equity investor and lender. Bank of America-Marrill Lynch (BAML) submitted the winning bid with a financing package of roughly $770 million, including approximately $350 million in construction financing; approximately $300 million in LIHTC equity; $20 million in subordinated, forgivable debt; $2.2 million to provide services to public housing residents; $500,000 to Enterprise Community Partners to assist the RAD developers; $5 million for predevelopment loans; and approximately $100 million in permanent financing from Freddie Mac.[123] According to Ari Baliak, Vice President of Community Development Banking at BAML, the institution was attracted to the deal "first and foremost [due to] the immense impact that

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[119] *Ibid.*
[120] City and County of San Francisco. (2015). *Preserving San Francisco's Public Housing: HUD's Rental Assistance Demonstration (RAD) Program*. Available at: http://www.sfhsa.org/asset/VII.C._RAD_Powerpoint_Presentation_10.22.15.pdf
[121] City and County of San Francisco. (2013). *SFHA Re-Envisioning: Recommendations to Mayor Ed Lee on how to transform the San Francisco Housing Authority*. Available at: http://sfgsa.org/sites/default/files/Document/10842-SFHA%20ReEnvisioning.pdf
[122] D10benefits.org. (2015). San Francisco Begins First Phase of RAD Public Housing Initiative. Available at: https://d10benefits.org/2015/11/24/san-francisco-begins-first-phase-of-rad-public-housing-initiative/
[123] Balbi, D. (2015). Bank of America to Lend $770M for San Francisco Affordable Housing. *Commercial Observer*. Available at: https://commercialobserver.com/2015/07/bank-of-america-to-lend-770m-in-san-francisco-affordable-housing-project/

SF RAD would have on San Francisco and its residents; second was the significance of San Francisco from a business and community investment standpoint; third was that the size made it a highly efficient way to achieve a large impact; and finally the complexity made it a challenge, but also a historic opportunity."[124]

Targeted Affordability Levels: Very-low and low-income households.

What Results Have Been Reported from the Program? Rehabilitation of up to 4,584 public housing units over three years. By the end 2015 it was expected that 15 properties across the city, containing a total of 1,422 units, would be rehabilitated.[125]

Comments on Replicability:
The likelihood of replicating this approach within the Truckee-North Tahoe region is unclear. While other smaller communities throughout the nation have utilized the RAD program to rehabilitate and convert legacy units, the scope and funding methods in the San Francisco case are relatively unique. The program worked in the City and County of San Francisco due to the large concentration of dilapidated legacy housing units that were under threat for conversion to market rate. The approach also leveraged the Community Reinvestment Act (CRA) obligations of BAML, which receives a large volume of deposits from within the City and County of San Francisco. The Truckee-North Tahoe region features neither the necessary volume of HUD legacy housing, nor banking activity, to be competitive for the RAD program.

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[124] D10benefits.org. (2015). San Francisco Begins First Phase of RAD Public Housing Initiative. Available at: https://d10benefits.org/2015/11/24/san-francisco-begins-first-phase-of-rad-public-housing-initiative/
[125] City and County of San Francisco. (2015). *Preserving San Francisco's Public Housing: HUD's Rental Assistance Demonstration (RAD) Program*. Available at: http://www.sfhsa.org/asset/VII.C._RAD_Powerpoint_Presentation_10.22.15.pdf

Sonoma County, CA

Appendix L-4: Community Characteristics, Sonoma County and State of California

	Sonoma County, CA	State of California	Truckee North Tahoe Study Area
Demographics			
Population	491,790	38,066,920	30,251
Households	186,935	12,617,280	11,802
Median Household Income	$63,799	$61,489	$67,079
Housing			
Median Rental Rate	$1,302	$1,243	$1,278
Median Home Sale Price (a)	$483,425	$419,175	$538,000 (b)
Economy			
Jobs in Region	163,078	15,614,666	15,825
Live Outside Region (c)	*35.1%*	*0.9%*	*58.6%*

Notes:
(a) Includes the median home sale price for 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: Since the late 19th century, the Sonoma and Russian River valleys have been attractive visitor destinations; however, with dramatic improvements in transportation of varying modes, many resort communities experienced a significant decline towards the beginning of the 20th century.[126] Following the Second World War, Sonoma County experienced a robust suburban expansion, which coincided with an economic and cultural shift away from primarily many traditional agricultural and visitor serving uses toward more resident serving and suburban land use types. With the emergence of Napa and Sonoma counties as important wine producing regions, and with rapid economic expansion in the San Francisco Bay Area, demand for accessible recreational opportunities resulted in Sonoma County's re-emergence as a significant visitor destination. Although vacation rentals represent an important asset within the Sonoma County tourism economy, the rapid adoption of the "sharing economy" has upset more the traditional models for providing visitor accommodations and resulted in conflicts between short-term visitors and permanent residents. Driven by renewed visitor interest, and facilitated by the introduction of web-based booking platforms (like AirBnB and VRBO, among others), Sonoma County has experienced a surge of investor activity within the local housing market. Although this is often characterized

[126] Sonoma County Community Development Commission. (2015). *The Impacts of Vacation Rentals on Affordable and Workforce Housing in Sonoma County*. Available at: http://www.sonoma-county.org/prmd/docs/vacrent/eps-report-on-impacts-of-vacation-rentals-on-housing.pdf

as Bay Area residents purchasing second homes that can be temporarily or intermittently rented as a secondary source of income, it also includes a significant amount of demand from international investors, mainly from China and Canada. The result is an ongoing increase in the proportion of the overall housing stock held vacant for seasonal or occasional use. With only limited new home development, and increasing demand for rental housing, housing prices countywide have increased by 30 percent over the past few years.

Marquee Program: Vacation Rental Ordinance

Date(s) Established: The Vacation Rental Ordinance was approved in 2010 and went into effect in 2011. Additional regulations were recommended in 2015.

Program Overview: Ordinance No. 5908 recognizes the importance of private single-family vacation rentals within the local tourism economy, but establishes restrictions intended to limit the disruption of the local housing market and to minimize conflicts with established residents.[127] The ordinance also recognized that the existing Sonoma County Zoning Code did not include provisions to allow the use of single-family homes as vacation rentals, treating visitor serving uses separately from residential ones.[128] Visitor serving uses in residential districts, with the exception of one-room bed and breakfast inns, previously required a use permit.[129] The new vacation rental ordinance applies to the rental of private residences for periods of 30 days or less, excluding permitted bed and breakfast inns and occasional home exchanges that are not otherwise subject to Transient Occupancy Tax (TOT).[130] The ordinance applies a set of performance standards to promote compatibility with adjacent residential uses and restricts private vacation rentals to the single-family residential zoning districts (AR, RR, and R1) and agricultural and resource zoning districts (LIA, LEA, DA, and RRD).[131] In accordance with the adopted Housing Element, the ordinance prohibits vacation rentals in higher-density residential districts (R2 and R3).[132] Vacation rentals also cannot take the form of Second Dwelling Units, Farm Family Units, Agricultural Employee Units, or Farmworker Housing Units. Vacation rentals with up to five guest rooms require a Zoning Permit, while rentals with more than five units require a Use Permit. All vacation rental units must comply

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[127] County of Sonoma. (2015). *Code of Ordinances* (Chapter 26, Title 88, Section 120). Available at: https://www.municode.com/library/ca/sonoma_county/codes/code_of_ordinances?nodeId=CH26SOCOZORE_ART88GEUSBUEXUILI_S26-88-120VARE
[128] Sonoma County Community Development Commission. (2015). *The Impacts of Vacation Rentals on Affordable and Workforce Housing in Sonoma County*. Available at: http://www.sonoma-county.org/prmd/docs/vacrent/eps-report-on-impacts-of-vacation-rentals-on-housing.pdf
[129] *Ibid.*
[130] County of Sonoma. (2015). *Code of Ordinances* (Chapter 26, Title 88, Section 120). Available at: https://www.municode.com/library/ca/sonoma_county/codes/code_of_ordinances?nodeId=CH26SOCOZORE_ART88GEUSBUEXUILI_S26-88-120VARE
[131] County of Sonoma. (Unknown). *Vacation Rental Performance Standards*. Available at: http://www.sonoma-county.org/prmd/docs/vacrent/vacation-rentals-performance-standards.pdf
[132] County of Sonoma. (2015). *Code of Ordinances* (Chapter 26, Title 88, Section 120). Available at: https://www.municode.com/library/ca/sonoma_county/codes/code_of_ordinances?nodeId=CH26SOCOZORE_ART88GEUSBUEXUILI_S26-88-120VARE

with all TOT registration and payment requirements. Vacation rentals are subject to a 180-day cap, after which time they may not be rented for fewer than 30 days.

Targeted Affordability Levels: Not applicable.

What Results Have Been Reported from the Program? Since the adoption of the previous Vacation Rental Ordinance, the county has issued 912 vacation rental permits.[133] The transient occupancy tax collected from vacation rentals amounted to $5 million of the $12.6 million collected in unincorporated areas of the county.[134] Restrictions on vacation rentals have had an unclear effect on the overall real estate market.

Comments on Replicability:
The establishment of ordinances restricting the scope of short term rentals to certain zoning districts may be possible within the Truckee-North Tahoe region. As evident also in Mammoth Lakes, these ordinances are in place in a number of communities throughout California. The ability to implement these changes would be largely contingent on the willingness of the community to accept restrictions on short-term rentals in residential areas and may face resistance, particularly from second home owners and the property management community, among others.

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[133] Payne, P. (2015). Sonoma County looking to tighten vacation rental rules. *The Press Democrat*. Available at: http://www.petaluma360.com/news/4434009-181/sonoma-county-looking-to-tighten#page=1
[134] *Ibid.*

Summit County, CO

Appendix L-5: Community Characteristics, Summit County and State of Colorado

	Summit County, CO	State of Colorado	Truckee North Tahoe Study Area
Demographics			
Population	28,482	5,197,580	30,251
Households	10,386	1,998,314	11,802
Median Household Income	$64,521	$59,448	$67,079
Housing			
Median Rental Rate	$1,143	$969	$1,278
Median Home List Price (a)	$580,750	$348,736	$538,000 (b)
Economy			
Jobs in Region	19,017	2,366,928	15,825
Live Outside Region (c)	*64.3%*	*1.5%*	*58.6%*

Notes:
(a) Includes the median listing price of for-sale housing units for the third and fourth quarter of 2015, as reported by Zillow.
(b) Includes the median single-family home sale price between June 2015 and November 2015, as reported by ListSource.
(c) Represents the percent of local workers who live outside of the area and commute in for work.

Sources: U.S. Census Bureau, 2010-2014 5-Year American Community Survey, 2016; U.S. Census Bureau, LEHD Origin-Destination Employment Statistics, 2016; Zillow, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: In the late 1990s, Summit County and the towns of Breckenridge and Blue River adopted the Joint Upper Blue Master Plan, which was subsequently updated in 2011.[135] In order to preserve community character and protect valuable scenic and recreational resources, the Master Plan established a 'cap' on the density allowed for new development within the Upper Blue Basin. The Plan restricts up-zoning of land within the basin, requiring a transfer of development rights (TDR) in order to increase the density. Density levels are established so as to accommodate an anticipated buildout of 14,000 residential units, which would allow for growth, while requiring only limited improvements to infrastructure and municipal service capacity. Recognizing the potential impact of the density cap on the ability to construct housing at densities conducive to affordability, deed restricted workforce housing targeting low- and moderate-income households was exempted from both the density cap and TDR requirement.[136] Recognizing

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[135] Joint Upper Blue Master Plan Advisory Committee. (2011). *Joint Upper Blue Master Plan: For Summit County and the Towns of Breckenridge and Blue River*. Available at: http://www.co.summit.co.us/DocumentCenter/Home/View/166
[136] Town of Breckenridge. (2014). *Impacts of Affordable Workforce Housing on Community Demographics, Economies, and Housing Prices and Options*. Available at: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0ahUKEwjZ9Pe5p4jMAhUY02MKHbRBAfgQFggkMAE&url=http%3A%2F%2Fwww.townofbreckenridge.com%2FModules%2FShowDocument.aspx%3Fdocumentid%3D9474&usg=AFQjCNEVVQIofxy0MW19u7KtpitSe6PsCg&bvm=bv.119408272,d.cGc

the continued upward pressures on housing costs, including those resulting from the density cap and the relative shortage of buildable land within the Upper Blue Basin, Summit County also established a county-wide sales tax and development impact fee.[137] These funds are leveraged alongside municipal resources, such as the Breckenridge Affordable Housing Fund, to support the development of workforce housing, often in coordination with the Summit Combined Housing Authority (SCHA), which was established in 2006.[138] The Town of Breckenridge has also instituted a Workforce Housing Buy Down Program, which pursues the purchase, deed restriction, and re-sale of existing market rate housing.[139]

Marquee Program: Workforce Housing Sales Tax & Development Impact Fee Program

Date(s) Established: Development impact fee and sales tax approved by popular vote in 2006, with expiration scheduled for 2017, unless reauthorized by voters.[140]

Program Overview: The 2006 ballot initiative (5A) authorized Summit County and the towns of Breckenridge, Dillon, Frisco, and Silverthorn to charge a 0.125 percent workforce housing sales tax, which is due to expire in 2016.[141] Revenue can be used for brick and mortar construction activities, as well as other affordable workforce housing programs, including at least some of the operational needs of the SCHA. Sales tax revenues are earmarked for workforce housing only and cannot be used for senior or other special needs housing. Summit County also established a county-wide development impact fee on new commercial and residential construction that is set aside to offset the capital costs associated with the development of new workforce housing units.[142] Between 2008 and 2012, the Summit County Workforce Housing Sales Tax generated an average of $1.09 million per year, while the county-wide impact fee generated an average of $717,400 per year.[143] In lieu of paying the impact fee, Summit County allows developers to place a Real Estate Transfer Assessment (RETA) on the property that is valued at 0.33 percent.[144] This is called a Voluntary Endowment and has become popular among developers. This option is available in the unincorporated county only.

Targeted Affordability Levels: According to the 2013 county-wide housing needs assessment, efforts to develop affordable workforce housing should focus on providing ownership housing

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[137] Town of Breckenridge. (2016). *Workforce Housing*. Available at: http://www.townofbreckenridge.com/index.aspx?page=65
[138] *Ibid.*
[139] *Ibid.*
[140] *Ibid.*
[141] County of Summit. (2015). *Resolution No. 2015-64*. Available at: http://www.co.summit.co.us/DocumentCenter/View/12802
[142] Summit Combined Housing Authority. (Unknown). *Impact Fee Information*. Available at: http://www.co.summit.co.us/DocumentCenter/Home/View/25
[143] Rees, M. (2013). *Workforce Housing Taxes and Fees*. Available at: http://reesconsultinginc.com/wp-content/uploads/2010/02/Taxes-and-Fees.pdf
[144] *Ibid.*

options for households with incomes under 120 percent of the area median income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD), and rental housing options focused on households earning 60 percent of AMI or less.[145] The Town of Breckenridge, however, applies different income standards which are intended to provide affordable workforce housing options at all income levels up to 180 percent of AMI, with the majority of units targeted to households earning between 80 and 180 percent of AMI.

What Results Have Been Reported from the Program? The combined sales tax and impact fee program generated more than $9.0 million between 2008 and 2012.[146]

Comments on Replicability:

The adoption of a similar sales tax provision in the Truckee-North Tahoe region would likely require voter approval within multiple jurisdictions, making coordination difficult. Establishment of coordinated in-lieu fee policies may be more feasible, while the modification of existing inclusionary housing ordinances and housing mitigation policies to include alternative payment options (e.g., the RETA provision) would, at minimum, require thorough staff evaluation and adoption by the applicable governing bodies.

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[145] County of Summit. (2013). 2013 *Summit County Housing Needs Assessment*. Available at: http://www.townofbreckenridge.com/Modules/ShowDocument.aspx?documentid=6667

[146] Rees, M. (2013). *Workforce Housing Taxes and Fees*. Available at: http://reesconsultinginc.com/wp-content/uploads/2010/02/Taxes-and-Fees.pdf

Whistler, BC

Appendix L-6: Community Characteristics, Town of Whistler and Province of British Columbia (a)

	Town of Whistler, BC	Province of British Columbia	Truckee North Tahoe Study Area
Demographics			
Population	9,824	4,400,057	30,251
Households	3,900	1,764,635	11,802
Median Household Income	$65,757	$60,333	$67,079
Housing			
Median Rental Rate	$1,298	$903	$1,278
Median Home Sale Price (b)	$685,000	n.a.	$538,000 (c)

Notes:
(a) Comparable economic data for the Tow n of Whistler and Province of British Columbia is not readily available.
(b) Includes the median home sale price for the second quarter of 2016, as reported by the Whistler Real Estate Company, using data reported by CoreLogic. Comparable data for the Province of British Columbia is unavailable.
(c) Includes the median single-family home sale price betw een June 2015 and November 2015, as reported by ListSource.

Source: Statistics Canada, 2011 National Household Survey, 2016; Whistler Real Estate Company, 2016; ListSource, 2016; BAE, 2016.

Community Context/Background: Development in the Resort Municipality of Whistler (RMOW) is closely tied to the Canadian government's aspiration of hosting the Winter Olympics, which it successfully did in 2010. Following the 1960 Winter Olympics in Squaw Valley, California, a group of Vancouver businessmen formed the Garibaldi Olympic Development Association with the intent of developing the small unincorporated community of Alta Lake and the nearby Mount Garibaldi (later to be renamed Whistler Mountain) into a premiere ski resort capable of hosting the Winter Olympics.[147] Along with such a task, and in recognition of the community's inherent remoteness, efforts to ensure the availability of affordable workforce housing in the RMOW date back to the early 1980s with the creation of Tapley's Farm, a private single-family housing development. Tapley's Farm was unique in that occupancy was restricted to full-time Whistler residents and the RMOW was provided with first right of refusal in the event that a Tapley property was put up for sale to anyone other than a resident employee. In response to rapid development that occurred in the 1970s and 80s, a group of major employers established the Whistler Valley Housing Society (WVHS) in 1983. Membership in the WVHS was open only to local employers, while the organization's not-for-profit status made it eligible for funding through the Canadian Mortgage and Housing Corporation (CMHC). Through the 1980s and early 1990s, the WVHS was a crucial partner in the development of resident-

[147] Whistler Housing Authority. (2009). *The Whistler Housing Authority Story: A History of Affordable Housing in Whistler.* Available at: http://www.whistlerhousing.ca/doc_dl/1417/the_wha_story-_a_history_of_affordable_housing_in_whistler.pdf

restricted housing, typically coordinated with the use of a ground lease approach imposed by the RMOW. In the late 1990s, the *City Spaces Report* identified the need to create an independent housing authority that would combine the functions of the WVHS and the then active Whistler Valley Housing Corporation, retaining the WVHS's not-for-profit status, while becoming a wholly owned subsidiary of the RMOW. Though eight years in the making (since the 2003 announcement that Whistler would host the Olympic Games to the 2010 closing ceremony), the dedication of the athlete village as resident-restricted housing was a major victory for the Whistler Housing Authority (WHA) and the RMOW. Today, Whistler houses approximately 80 percent of its local workforce within municipal boundaries, with approximately 1,900 units of deed restricted affordable rental and ownership units.

Marquee Program: Whistler Housing Authority

Date(s) Established: 1997

Program Overview: As noted above, the WHA is an independent not-for-profit corporation that is wholly owned by the RMOW.[148] The WHA functions under the presumption that Whistler's vibrancy is contingent on successfully retaining a resident workforce. The WHA's primary goal is to ensure the availability of sufficient options to house at least 75 percent of the community's active and retired employees.[149] The WHA is overseen by a seven-member board of directors. Five members are appointed by the municipal council, with one additional member appointed by the Mature Action Committee and one resident housing representative elected by the community. The WHA has only three full-time staff. While the WHA coordinates provision of price restricted housing, the focus is primarily on the provision of "resident restricted" units, which are defined to include those that are intended for full-time occupancy by an individual or family where the primary tenant is a qualifying employee or retiree. Qualifying employees must work no less than 20 hours per week on an annual basis at a business located within the boundaries of the RMOW, which holds an RMOW business license.[150] There is no specific income requirement to be eligible for WHA programs. As a result, resident restricted neighborhoods include a healthy mix of residents, reflecting a range of ages, household types, and income levels. First priority for resident housing is given to local employees who do not already own residential real estate. As part of the 2010 Winter Games, the WHA also became a community land bank with the dedication of 300 acres of crown land, including the 55 acres used to develop the athlete village, now known as the Cheakamus Crossing resident restricted development.[151]

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[148] Whistler Housing Authority. (2016). *2016 Business and Financial Plan*. Available at: http://www.whistlerhousing.ca/doc_dl/1608/wha_2016_business_financial_plan.pdf
[149] *Ibid.*
[150] *Ibid.*
[151] *Ibid.*

Targeted Affordability Levels: No income restrictions are utilized.

What Results Have Been Reported from the Program? Since its inception in 1997, the WHA has facilitated the development of 1,916 resident restricted and affordable units, featuring 6,197 beds.[152] [153]

Comments on Replicability:
While some aspects of Whistler's approach to workforce housing development may be replicable within the Truckee-North Tahoe region, much of it has relied on the development of the mountain as a resort destination and, more importantly, as a host site for the 2010 Winter Olympics. While it is difficult to draw direct parallels to organizational structures in the United States, the fact that much of the historical effort was championed by the non-profit WVHS indicates that an independent non-profit organization may offer unique organizational advantages, but the transition toward creating the WHA indicates that the organizational structure may need to evolve over time. Also, the focus on resident restricted housing, with no associated income restriction, may offer opportunities to tie housing prices to local workforce wages, but may be ineffective in markets where demand for resident restricted units significantly outstrips supply.

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[152] *Ibid.*
[153] Whistler Housing Authority. (2015). *Inventory of Resident Restricted Housing.* Available at: http://www.whistlerhousing.ca/doc_dl/1588/restricted_housing_updated_inventory.pdf

APPENDIX M: ADDITIONAL PUBLIC COMMENT LETTERS

Steve Teshara, Sustainable Community Advocates

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