PLACER COUNTY

REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Thomas M. Miller, Director
James LoBue, Deputy Director
DATE: May 24, 2011
SUBJECT: Approve the 2011-2016 Five-Year Implementation Plan for the North Lake Tahoe Redevelopment Project Area.

ACTION REQUESTED

Conduct a public hearing and adopt a resolution approving the 2011-2016 Five-Year Implementation Plan for the North Lake Tahoe Redevelopment Project Area

BACKGROUND

California Health and Safety Code §33300 et seq. requires that redevelopment agencies adopt implementation plans for redevelopment project areas covering a five-year term. Your Board last approved the Five-Year North Lake Tahoe Redevelopment Project Area Implementation Plan on April 4, 2006. This action would approve a plan addressing the five-year period from April 3, 2011 to April 2, 2016 (Plan).

The attached Plan includes the updated work plan goals, the proposed programs, projects and expenditures, and a discussion of how the proposed Plan will continue to alleviate blighting conditions in the North Lake Tahoe Redevelopment Project Area. In addition, the Plan provides information regarding the Redevelopment Agency's (Agency) affordable housing program and specifies how the Agency will meet targeted income, housing production, and replacement housing requirements. Approval of the Plan will give general direction to the Agency but does not approve any specific expenditures, programs, or projects.

The Board must conduct a public hearing for the adoption of the Plan. A public hearing notice was posted on April 21, 2011, in four locations within the Project Area. The public hearing notice was published 3 times, weekly in the Sacramento Bee beginning April 22, 2011. Notice was also published in the Sierra Sun. The draft Plan was posted on the County website on April 22. Copies of the draft Plan were distributed to the North Tahoe Regional Advisory Council (NTRAC), and this Plan was discussed by NTRAC at their meeting of April 14, 2011.

FISCAL IMPACT

This is an administrative action. There is no impact to the Agency budget. The Plan does not approve any specific projects, programs, or expenditures.

ENVIRONMENTAL

Adoption of the Implementation Plan is an activity taken in furtherance of the North Lake Tahoe Redevelopment Project Area for which an environmental impact report was prepared and adopted pursuant to the California Environmental Quality Act (CEQA). Therefore, for adoption of the Plan no further environmental review is required per CEQA Guidelines Section 15180. The National Environmental Policy Act does not apply, as no federal funds were used.

Attachment: Resolution
North Lake Tahoe Redevelopment Project Area 2011-2016 Five-Year Implementation Plan

cc: Karin Schwab, Agency Counsel

Before the Placer County Redevelopment Agency Board of Directors State of California

In the matter of:

Approving the 2011-2016 Five Year Implementation Plan for the North Lake Tahoe Redevelopment Project Area

Resol. No:.....

Ord. No:.....

First Reading: .....

The following Resolution **was duly passed by the Redevelopment Agency Board**

of the County of Placer at a regular meeting held_____,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Clerk of said Board

_____

_____
Chair, Agency Board

WHEREAS, the Redevelopment Plan (NLT Plan) for the North Lake Tahoe Redevelopment Project Area (Project Area) was adopted by the Placer County Board of Supervisors on July 16, 1996 by Ordinance No. 4753-B and as subsequently amendment from time to time;

WHEREAS, California Health and Safety Code Section 33000 et seq. as set out in Section 33490 requires redevelopment agencies to adopt an Implementation Plan which includes the goals of the redevelopment plan, the proposed programs, projects, and expenditures for the next five years and demonstrates how implementation of the proposed programs and projects would alleviate blighting

conditions in the Project Area. The Implementation Plan shall also include the Redevelopment Agency's (Agency) information regarding the affordable housing program and specifies targeted income, housing production, and replacement housing requirements;

WHEREAS, Section 33334.2 requires that not less than twenty-percent (20%) of all taxes that are allocated to the Agency from the Project Area be used by the Agency for the purposes of increasing, improving, and preserving the community's supply of very low-, low- and moderate-income housing available at an affordable housing cost to persons and families that are very low-, low-, or moderate-income households;

WHEREAS, adoption of the Implementation Plan is an activity taken in furtherance of the NLT Plan for which an environmental impact report was prepared and adopted pursuant to the California Environmental Quality Act (CEQA) and as a result adoption of the Implementation Plan document does not require further environmental review per CEQA Guidelines Section 15180;

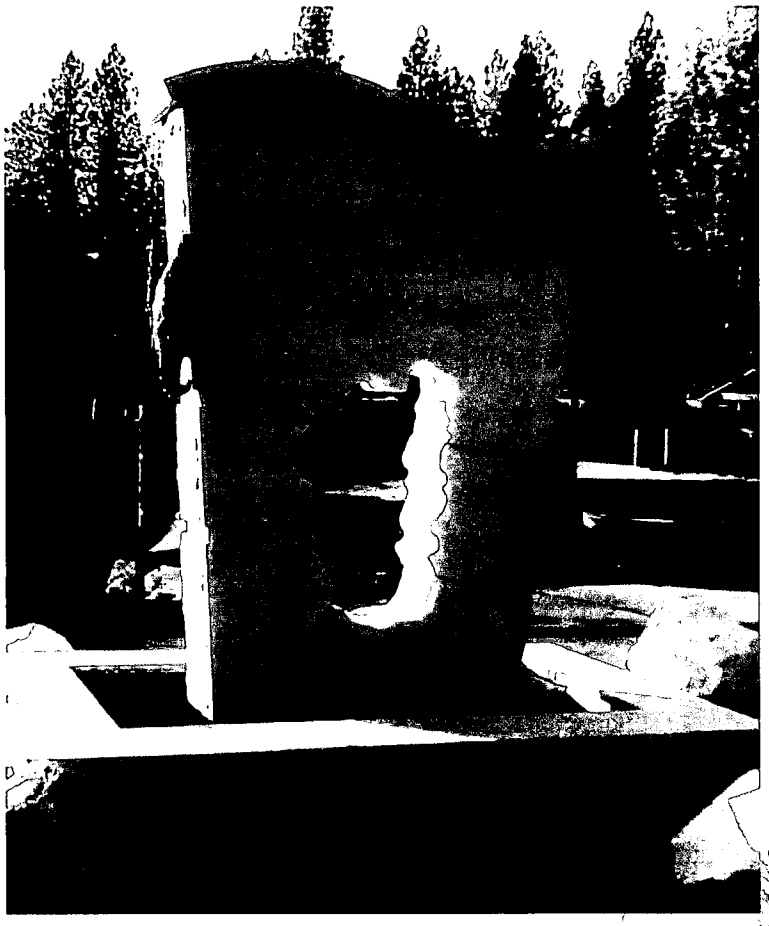
WHEREAS, adoption of the proposed Implementation Plan does not constitute approval of any specific project or expenditure contained in the Implementation Plan and such projects, programs, and expenditures included in the Implementation Plan will be subject to CEQA review prior to implementation or development per Health & Safety Code Section 33490(a) (1) (B);

WHEREAS, the Implementation Plan, which constitutes identification of resources and the development of plans and strategies is an exempt activity under National Environmental Policy Act, per 24 CFR, Section 58.34 (a) (1);

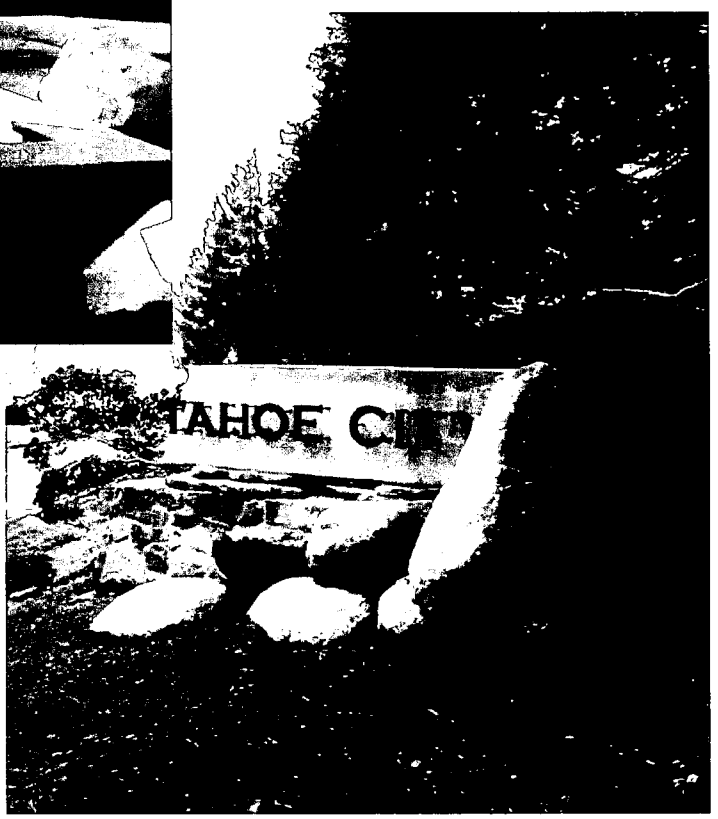
WHEREAS, the Implementation Plan shall cover the period from 2011 to 2016; and

WHEREAS, the Agency has conducted a duly noticed public hearing regarding the foregoing matters.

NOW, THEREFORE, BE IT RESOLVED by this Board that the 2011 to 2016 Implementation Plan for the NLT Plan, as set forth in Attachment A hereto, is hereby approved and adopted.



PLACER COUNTY
REDEVELOPMENT AGENCY



North Lake Tahoe Redevelopment Project Area
5-Year Implementation Plan 2011 - 2016

(5-16-11) n tahoe 5 yr plan 2011-16.doc

TABLE OF CONTENTS

	PAGE
EXECUTIVE SUMMARY	1
GOALS	2
PAST ACCOMPLISHMENTS	2
FUTURE & ONGOING PROJECTS	2
INTRODUCTION	3
THE PROJECT AREA	3
PAST REDEVELOPMENT AREA PLAN GOALS	9
BLIGHT, ENVIRONMENTAL, REDEVELOPMENT, PUBLIC INFRASTRUCTURE, HOUSING	9
COMMERCIAL & INFRASTRUCTURE – PAST ACCOMPLISHMENTS	10
PARKING	10
BUSINESS ASSOCIATIONS	13
CONTAMINATED PROPERTIES	13
GATEWAY MONUMENTS	14
REDEVELOPMENT PROJECTS IN PROCESS	17
COMMUNITY ENHANCEMENT PROGRAM	18
BB, LLC KINGS BEACH TOWN CENTER	18
KINGS BEACH EASTERN GATEWAY	19
AFFORDABLE HOUSING – PAST ACCOMPLISHMENTS	23
INTERGOVERNMENTAL COOPERATION	23
LAND USE & HYDROLOGY CHALLENGES	23
INCLUSIONARY/EMPLOYEE HOUSING	24
HOUSING REHABILITATION ASSISTANCE	24
AFFORDABLE HOUSING DEVELOPMENT	24
FINANCING PROFILE	26
THE NEXT FIVE YEARS 2011 – 2016 REVISED GOALS & IMPLEMENTATION	27
BLIGHT	27
PUBLIC INFRASTRUCTURE & FACILITIES	28
COMMERCIAL INDUSTRIAL & MIXED USE	28
HOUSING DEVELOPMENT, ENVIRONMENT	29
ADVANCE PLANNING	30
COMMERCIAL & INFRASTRUCTURE – THE NEXT 5 YEARS	32
IMPROVING PUBLIC INFRASTRUCTURE	32
KINGS BEACH COMMERCIAL CORE	32
LAKE FOREST WATER DISTRICT	34
TAHOE CITY WYE	34
TAHOE CITY TRANSIT CENTER	34

TABLE OF CONTENTS CONTINUED *PAGE*

PUBLIC PARKING LOTS *34*
IMPROVING PUBLIC FACILITIES *34*
PARKS, CULTURAL CENTERS, PUBLIC ART, FIRE STATIONS, COMMUNITY SERVICE CENTERS *34*
TAHOE VISTA RECREATION AREA IMPROVEMENTS *35*
PLANNING & DESIGN COMMUNITY DEVELOPMENT PROJECTS *35*
COMMUNITY PLAN UPDATES *35*
SUSTAINABLE COMMUNITIES GRANT *35*
TRPA REGIONAL PLAN *36*
AMENDMENTS TO TRPA CHAPTER 15 ..... *36*
FUNDING COMMERCIAL PROPERTY OWNER IMPROVEMENTS *36*
FORGIVABLE FAÇADE LOANS *37*
COMMERCIAL REHABILITATION LOANS *38*
MIXED USE PREDEVELOPMENT LOANS *38*
PARTNERING FOR NEW DEVELOPMENT *38*
COMMUNITY ENHANCEMENT PROGRAM *39*
KINGS BEACH SCATTERED SITES *39*
BB, LLC *40*
FERRARI, PASTORE & RYAN *41*
INNOVATIVE INFILL & REFILL MODELS *41*
SUMMARY COMMUNITY DEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS *43*
HOUSING PROGRAM – THE NEXT 5 YEARS *43*
CREATING NEW LOW & MODERATE INCOME HOUSING *44*
MAINTAINING AFFORDABLE HOUSING *44*
PARTNERING FOR MIXED USE DEVELOPMENT *44*
PROVIDING DEVELOPERS INCENTIVES FOR LOW & MODERATE INCOME HOUSING PRODUCTION *44*
OVERSEEING EMPLOYEE HOUSING REQUIREMENTS *45*
SUPPORTING HOMEOWNERSHIP *45*
SUMMARY HOUSING PROGRESS *45*
THE NEXT 10 YEARS HOUSING PLAN *47*
TARGETED INCOME HOUSING EXPENDITURES *47*
PRODUCTION PLAN REQUIREMENTS *48*
REPLACEMENT HOUSING REQUIREMENTS *50*
LIST OF SOURCES *51*

LIST OF FIGURES

FIGURE — *PAGE*

1- NORTH TAHOE REDEVELOPMENT AREA MAP *4*
2-TAHOE CITY GATEWAY MAP *6*
3- N. TAHOE REDEVELOPMENT AREA MAP, TAHOE VISTA KINGS BEACH *8*
4- JACK PINE STREET PARKING LOT PHOTO *11*
5- MINNOW AVENUE PARKING LOT PHOTO *11*
6- TAHOE CITY COMMERCIAL ACCOMPLISHMENTS & FUTURE PROJECTS *12*
7- SWISS MART BEFORE PHOTO NO. 1 ..... *13*
8- SWISS MART BEFORE PHOTO NO. 2 ..... *13*
9- KINGS BEACH GATEWAY MONUMENT SIGN PHOTO *14*
10- TAHOE CITY GATEWAY MONUMENT SIGNS PHOTO *14*
11- KINGS BEACH COMMUNITY MAP *15*
12- TAHOE CITY TRANSIT CENTER CONCEPTUAL RENDERING *16*
13- TAHOE CITY TRANSIT CENTER PLOT PLAN *17*
14- RENDERING OF BB, LLC KINGS BEACH TOWN CENTER PROJECT *19*
15- EASTERN GATEWAY CHARETTE PHOTOS *20*
16- SWISS MART PHOTOS BEFORE & AFTER *21*
17- RONNING PHOTOS BEFORE & AFTER *22*
18-DOMUS, KINGS BEACH HOUSING ASSOCIATES, BROOK AVENUE PHOTO *25*
19- DOMUS, KINGS BEACH HOUSING ASSOCIATES, FOX STREET PHOTO *25*
20-PROJECTIONS OF REDEVELOPMENT PROJECT AREA TAX INCREMENT REVENUES FY 2011/12 – 2015/16 TABLE *26*
21-MATRIX CHART OF PAST GOALS & IMPLEMENTATION ACCOMPLISHMENTS *31*
22-CONCEPTUAL KINGS BEACH NEIGHBORHOOD TRAFFIC CALMING PLAN *33*
23-OLD BROCKWAY GOLF COURSE FENCING IMPROVEMENTS *37*
24-RENDERING OF DOMUS, KBHA, CHIPMUNK STREET SITE *40*
25-CONCEPTUAL RENDERING OF BB, LLC KB TOWN CENTER PROJECT *41*
26-MAP OF CEP PROJECTS *42*
27-COMMERCIAL & INFRASTRUCTURE PROGRAMS GOALS IMPLEMENTATION TABLE *43*
28-KINGS BEACH SCATTERED SITES HOUSING PROJECTS *46*
29-TARGETED INCOME EXPENDITURES TABLE *47*
30-EXPENDITURES BY INCOME – 2006 – 2011 TABLE *47*
31-BREAKDOWN OF AFFORDABILITY LEVELS TABLE *48*
32-PRODUCTION PLAN REQUIREMENTS TABLE, FISCAL YEAR 2016 – 2020 ..... *48*
33-AFFORDABLE HOUSING UNITS PRODUCED/NEEDED TABLE *49*

1D

EXECUTIVE SUMMARY

The Placer County Redevelopment Agency (Agency) was created by the Board of Supervisors in 1991, and began its operations in 1995. Its purpose is to leverage potential development opportunities, and to stem the presence of blight in identified unincorporated areas of the County. Additionally, the Agency is charged with implementing the County's affordable housing program Countywide. In 1996 the Agency adopted the North Lake Tahoe Redevelopment Plan, which established the North Lake Tahoe Redevelopment Project Area (Project Area).

The Agency's first years in North Lake Tahoe were focused on building the administrative infrastructure and undertaking the plans and studies needed to bring about the early goals and objectives identified by its Board. In years past, the Project Area's assessed valuation has paralleled that of a fast growing Placer County. In 2006 the Agency issued a series of bonds backed by tax increment revenues from its three redevelopment project areas. Although revenue growth has slowed down with the current economy, the Agency is still committed to improving its work program delivery. The Agency's work program is delivered through development projects and revitalization programs. These activities are implemented through partnerships with a large network of County departments, outside agencies, and private for profit as well as nonprofit developers.

During the five year period from 2006-2011, the annual growth of tax increment receipts averaged 14%. However, that rate of growth slowed down beginning in year 2008 and in Fiscal Year 2009-2010 the Agency experienced an overall decline in tax increment revenues of 3.4%, due to the economic downturn and Tier 3 Pass throughs. The Agency issued bonds for North Lake Tahoe Commercial in the amount of $15,765,000. Bonding for County Wide Housing also occurred for the amount of $5,865,000.

What follows is a document that identifies the Agency's roadmap for implementing its work program for the next five years. While every project is different, it is typical that projects move through five general phases: 1) evaluation of potential projects and programs; 2) project formation; 3) project/program development; 4) project/program administration; and 5) ongoing project monitoring.

Note that while it may appear that the development process is linear and timely, due to the nature of redevelopment intervention; typical redevelopment projects span several years and may involve many different parties over time.

The following Five Year Project Area Implementation Plan divides the Agency's work program into two of its primary focus areas: commercial development/public infrastructure and housing. California law also requires that the Agency presents a ten year housing plan for the Project Area and that plan is also included in this document.

The Agency looks forward to serving the various North Lake Tahoe Project Area communities and helping to provide a vision of revitalization by building on its communities' strengths.

GOALS

- Consolidation of small and irregular lots, and improvement of deteriorated properties and public facilities to facilitate elimination of blight
- Increase parking to facilitate community redevelopment
- Contribute to parks and open space to improve the Lake Tahoe environment
- Build new and improve existing housing to increase affordable housing opportunities
- Support infrastructure and public right-of-way improvements serving both residential and commercial areas
- Support job creation and economic development within the Project Area

PAST ACCOMPLISHMENTS

- Kings Beach Eastern Gateway, Land Assembly and Brownfield Cleanup
- Scattered Sites Affordable Housing Development, Kings Beach
- Kings Beach and Tahoe City Parking Lots
- Kings Beach and Tahoe City Gateway Monument Signs
- Swiss Mart Brownfield Cleanup
- Heritage Plaza Improvements, Tahoe City
- Tahoe City Marina Sewer Pump Station Improvements
- Commercial Properties Rehabilitation Assistance
- Housing Rehabilitation Assistance

FUTURE AND ONGOING PROJECTS

- BB, LLC Mixed Use Community Enhancement Program (CEP) Kings Beach
- Tahoe City Transit Center Project
- Kings Beach Commercial Core Improvement Project
- TRPA Regional Plan Update and Community Plan Updates
- Parking Lot Property Acquisition and Construction in Commercial Districts
- Ferrari Resort Kings Beach CEP Project
- Tahoe City Wye Improvements
- Kings Beach Eastern Gateway Project
- Lake Forest Water District/Tahoe City PUD Project
- Tahoe Housing Rehab Assistance Program
- North Tahoe Redevelopment Agency Satellite Office
- Kings Beach Everett Property Redevelopment Project
- Tahoe Vista Recreation Area Improvements
- Commercial Loan Program
- Housing Rehab and Homebuyer Loan Programs
- Swiss Mart Property Cleanup and Redevelopment Project

INTRODUCTION

The Placer County Redevelopment Agency (Agency) was formed in April 1991 pursuant to California Health and Safety Code Section 33300 *et seq*. A five-member board, who serves as the Placer County Board of Supervisors, also governs the Agency. The Agency has three adopted Redevelopment Project Areas – North Auburn, Sunset Industrial and North Lake Tahoe. The purpose of the Agency is to eliminate blight, support environmental improvements within the Redevelopment Project Areas and strengthen the economic base of its targeted communities through building public infrastructure, supporting public facility improvements, commercial/industrial, mixed use development and rehabilitation, as well as increasing and improving the supply of affordable housing. The Agency adopted ordinance 4753-B, to approve the North Lake Tahoe Redevelopment Plan and establish the North Lake Tahoe Redevelopment Project Area on July 16, 1996.

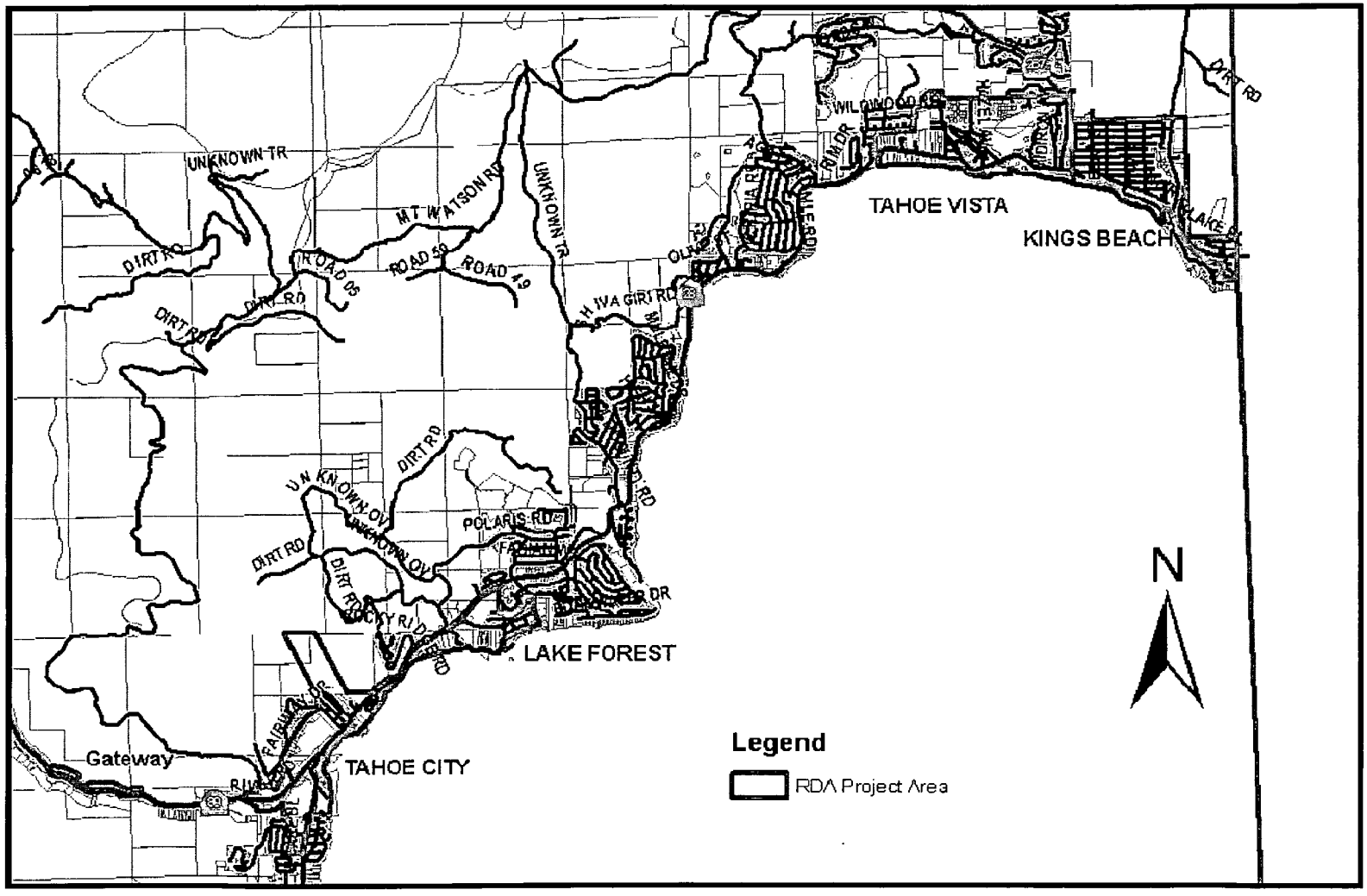
California Health and Safety Code Section 33490, requires redevelopment agencies to adopt project area implementation plans for each five year period that the Agency is in existence. The North Lake Tahoe Redevelopment Project Area Five-Year Implementation Plan (Plan) sets out projected redevelopment and affordable housing activities in the Project Area. This Plan describes the upcoming Agency work program and includes a discussion of past projects and proposed programs over the next five years. Provided also are financial estimates of Project Area expenditures and a discussion of how the proposed Plan will meet the Project Area goals and implement the required housing program. This Plan covers the period from April 3, 2011 to April 2, 2016.

THE PROJECT AREA

The North Lake Tahoe region is largely a mountain tourist community catering to winter skiing, summer boating and outdoor enthusiasts. The region sustains a year round population of 8,508 permanent residents over the age of 18, according to the newly released 2010 Census. During peak tourist months, the regional population increases to approximately 60,000. The vital tourist industry is comprised of numerous restaurants, hotels, motels and recreation service businesses. Thus the tourist industry is the core employment and earnings generator for the area, accounting for approximately 71% of the area's jobs and millions of dollars annually in personal, business, local, County and State tax revenues, according to a 2003 study by Dean Runyan Associates. However, while the area is subject to significant tourist activity, it also contains deteriorated buildings, high commercial vacancy rates, crime, and underutilized parcels where redevelopment involvement could facilitate development and improve the overall quality of life for the region. Environmental control standards have increased in recent years and many of the older existing developments have problems of site contamination, erosion and improper drainage control. New developments within the Project Area have been frustrated by the higher costs of designing and installing environmental protection measures necessary to protect the fragile Tahoe Basin environment. In addition, the area has an inadequate supply of affordable housing for workers who primarily work in local businesses. The following map (Figure 1) shows the North Lake Tahoe Redevelopment Project Area boundaries.

13

Figure 1



NORTH LAKE TAHOE REDEVELOPMENT AREA - TAHOE CITY, LAKE FOREST, TAHOE VISTA, KING BEACH

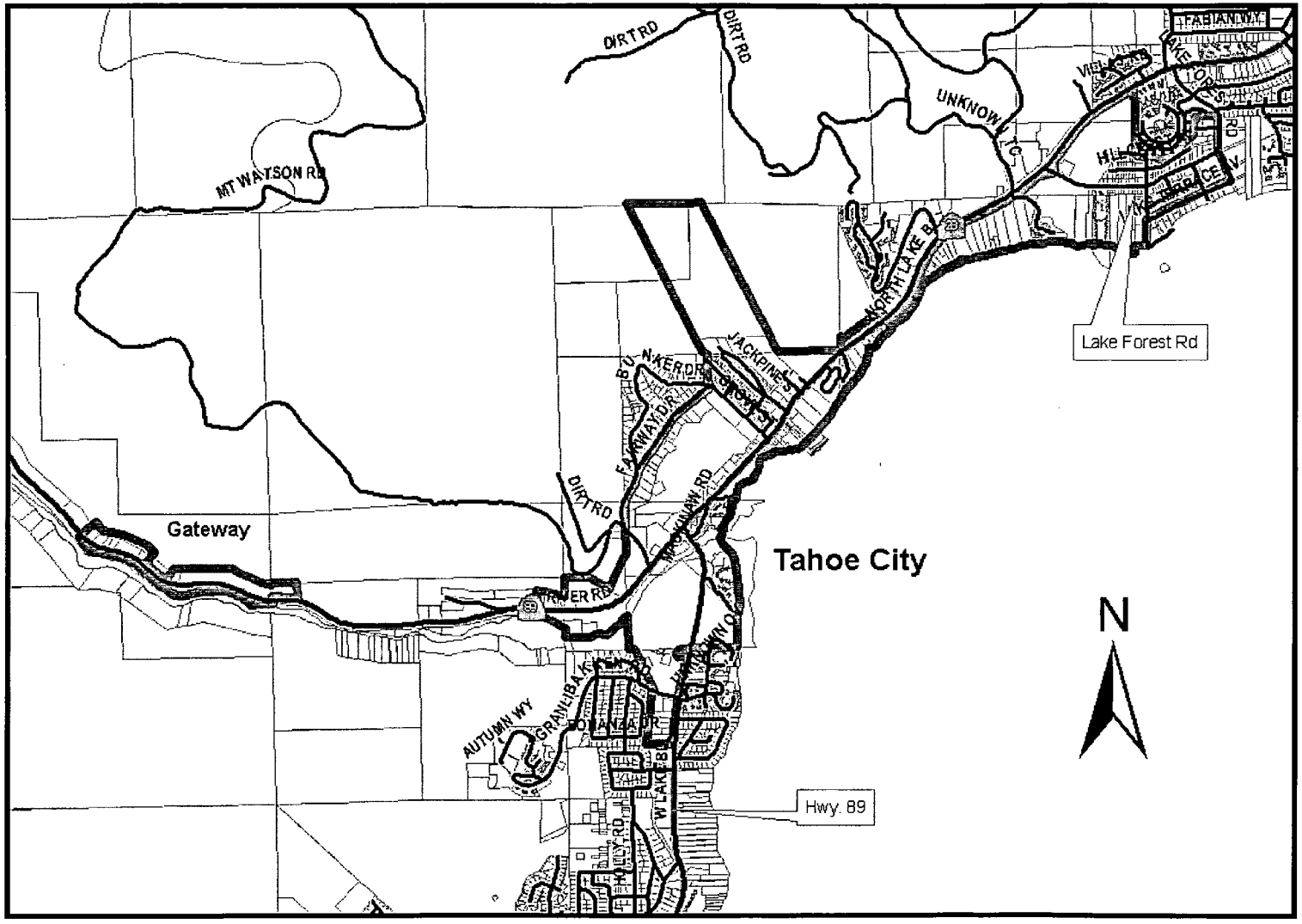
The Project Area is 1,731-acres and consists of the Tahoe City/Tahoe Gateway, Lake Forest, Kings Beach, Tahoe Vista and Stateline communities. Several existing residential areas within these communities are not within the Project Area boundaries; however, the majority of the commercial corridors fall within the Project Area boundaries.

The Tahoe City community is approximately 693 acres and is generally bounded by Fairway Drive on the West, Sierra Terrace Road on the east and includes the majority of the Tahoe City commercial core area. There is a nine-hole golf course in Tahoe City within the Project Area boundaries. See a map of the Tahoe City and Lake Forest area boundaries in Figure 2.

The Tahoe City Gateway area is approximately 41 acres and includes a small commercial/industrial strip on Highway 89 at Alpine Meadows Road at the western outskirts of Tahoe City. The businesses located within the industrial strip focus on general construction, printing, auto repair, welding, towing, etc.

Lake Forest lies just east of Tahoe City on the lake side of Highway 28 (North Lake Boulevard), and surrounding Lake Forest Road, between the communities of Tahoe City and Carnelian Bay.

Figure 2: Tahoe City Gateway Map



NORTH LAKE TAHOE REDEVELOPMENT AREA - TAHOE CITY, LAKE FOREST

The Kings Beach and Tahoe Vista communities lie mostly within the redevelopment Project Area. This portion of the Project Area encompasses a combined 995 acres and is one of the primary commercial and recreational centers of the Tahoe Basin. See a map of the Kings Beach and Tahoe Vista Redevelopment Area boundaries in Figure 3.

The residential, commercial and industrial community of Kings Beach extends from Park St. to Highway 267 and consists of approximately 1,296 housing units, according to a 2009 field survey by the Redevelopment Agency staff. There is commercial and industrial development along Speckled Avenue and the Old Brockway nine-hole golf course is located on the border between Tahoe Vista and Kings Beach at the northwest corner of Highways 28 and 267. On the north side of North Lake Blvd. at Chipmunk St., the Agency has purchased the 13,136 square foot former Swiss Mart site which now contains the Kings Beach Gateway Monument Sign, with the remainder of the parcel planned to be developed in the future. On the northeastern corner of North Lake Blvd. and Chipmunk St. is a 1.4 acre site which is part of the Kings Beach Scattered Sites Affordable Housing Development, where construction will start in the spring of 2011 on 40 units of affordable housing.

Stateline consists primarily of resort rental residential, motels, apartments and commercial uses. It encompasses less than 10% of the overall Project Area and is located immediately adjacent to the Nevada State line.

The Tahoe Vista community is contiguous to Kings Beach and is generally bounded by Estates Drive on the West and Highway 267 on the East. There is industrial and heavy commercial development at the north end of National Avenue as well as the entrance to the North Tahoe Regional Park. Along North Lake Blvd. are primarily tourist serving commercial uses and the remainder of Tahoe Vista is primarily residential and open space.

Land use patterns in all of these areas vary widely. The predominant business focus is tourist related, with a sizeable number of motels, restaurants, and tourist-oriented retail shops located along State Highway 28.

All of the North Lake Tahoe Redevelopment Project Area lies within the Tahoe Regional Planning Agency (TRPA) jurisdiction. TRPA was created as a regional agency because the Lake Tahoe watershed crosses a number of state and local political boundaries. TRPA is governed by a 15-member Governing Board, seven from California, seven from Nevada and one non-voting Presidential Appointee. TRPA has permitting and other regulatory authority over land use development and numerous other activities within the Lake Tahoe Basin.

Figure 3

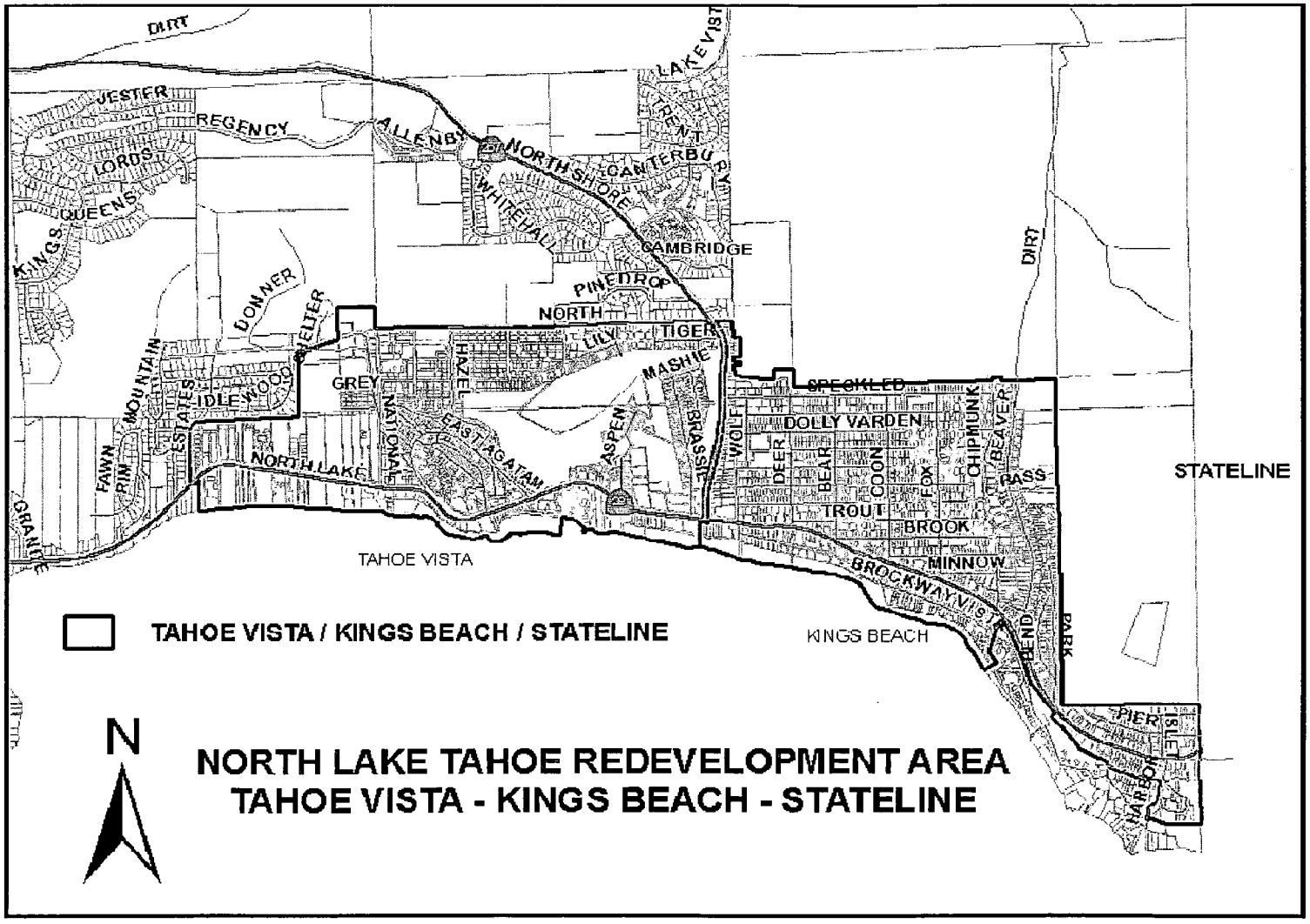


Figure 3

81

REDEVELOPMENT PLAN GOALS

In the adopted North Lake Tahoe Project Area Redevelopment Plan the following goals are identified and have been categorized into five elements: Elimination of Blight; Improvement of the Environment; Community Redevelopment; Improvement of Public Infrastructure; and Increasing Housing Opportunities.

Elimination of Blight:

- Eliminate blighting influences and correct environmental deficiencies in the Project Area, including: small and irregular lots; faulty exterior spacing; deteriorated, obsolete and aged building types; mixed character of buildings; incompatible and uneconomic land uses; and inadequate or deteriorated public improvements, facilities and utilities.

Improvement of the Environment:

- Correct environmental deficiencies within the Project Area that are unique to the Lake Tahoe Basin including inadequate public and private facilities, insufficient open spaces, and inadequate water quality protection systems that do not comply with the environmental threshold carrying capacity standards of the Tahoe Regional Planning Agency.

Community Redevelopment:

- Assemble land into economically viable parcels in support of rehabilitation and modern, integrated development.
- Re-plan, redesign, and redevelop areas, which are economically stagnant or improperly utilized.
- Provide opportunities for participation by owners and tenants in the revitalization of their properties.
- Strengthen community and tourist serving commercial areas by encouraging rehabilitation and high quality new development, provide for improved parking, and install public improvements.
- Establish a framework for the implementation of community plans and design standards within the Project Area.

Improvement of Public Infrastructure:

- Improve streets and install other public improvements to facilitate pedestrian and vehicular circulation and minimize hazardous conditions.
- Provide added open spaces and improved park and recreational facilities.
- Assist the upgrading of substandard public utilities and infrastructure.

Increasing Housing Opportunities:

- Improve and increase the community's supply of low and moderate–income housing through rehabilitation and new construction.

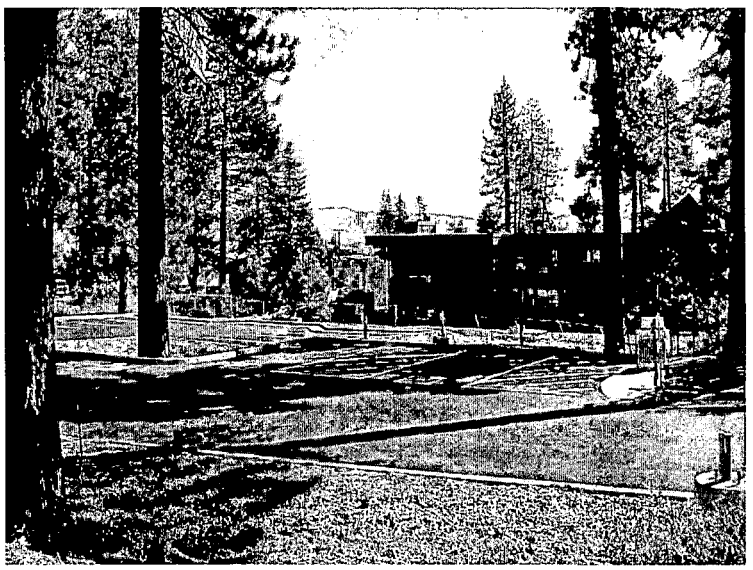
COMMERCIAL DEVELOPMENT AND PUBLIC INFRASTRUCTURE IMPROVEMENTS
PAST ACCOMPLISHMENTS 2006 – 2011

The Agency budgeted approximately $54,763,734 toward commercial development and public infrastructure projects from 2006 through 2011. While all of these funds were not spent, the following are highlights of key projects and programs.

Parking
The Agency continued its parking programs in Kings Beach, Tahoe Vista and Tahoe City to address the need for additional public parking spaces within commercial core areas. Community accomplishments made under the program include the following:

- Construction was completed on the public parking lot on Jack Pine street in Tahoe City in 2006. This lot contains 40 parking spaces and cost $1,292,297 of Agency funds.
- The Agency constructed the Minnow Avenue Parking Lot in Kings Beach in 2007. It provides 20 spaces and used $613,322 of Agency funds.
- The Agency acquired a site at Deer St. and Rainbow Ave. in Kings Beach that is slated for public parking; $1,397,000 has been allocated through a funding agreement with the County, whereby the County Public Works Dept. will manage the design and construction.
- The Agency allocated $500,000 to the Tahoe Vista Recreation Area Improvements Project and these funds will be used for installation of public parking, streetscape and public transit improvements at the northwest corner of National Ave. and Highway 28. The project is managed by the North Tahoe Public Utility District.
- The Agency acquired lots on Salmon Ave. to hold for parking as part of the BB, LLC Kings Beach Town Center redevelopment project.
- The Agency acquired the .9 acre Everett property on Highway 28 in Kings Beach and the main portion of the property is planned for public parking.

Figure 4: Jack Pine St. Parking Lot, Tahoe City (Left & Below)



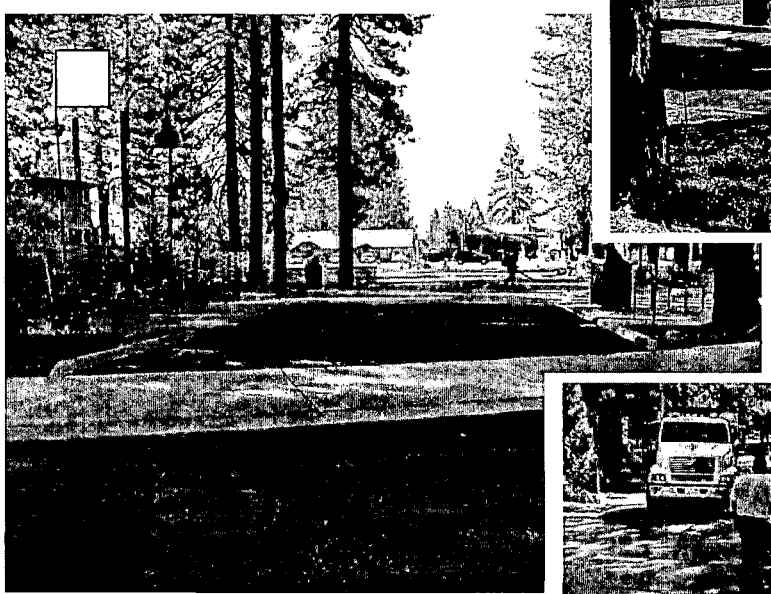
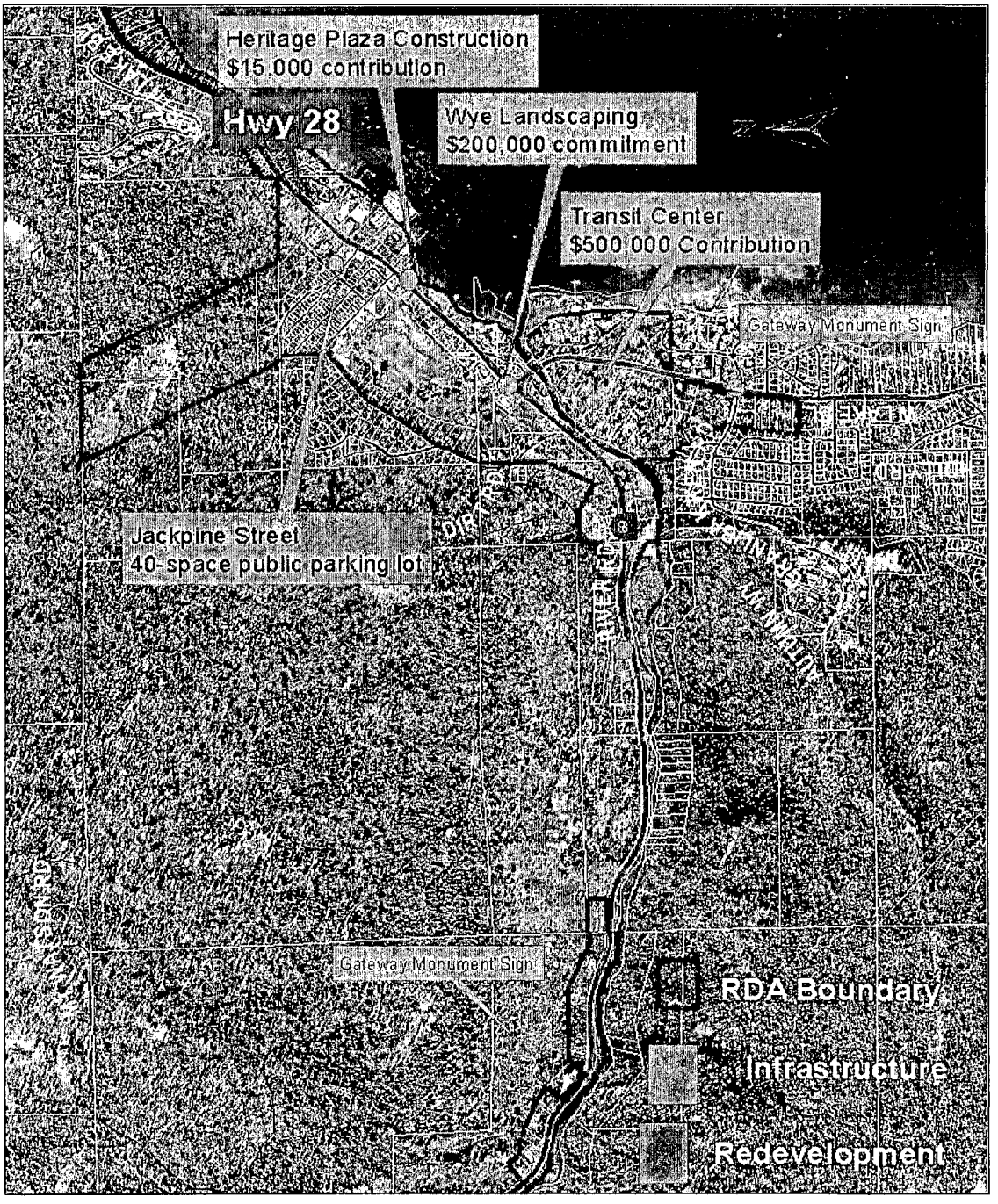


Figure 5: Minnow Ave. Parking Lot, Kings Beach (Above & Right)

Figure 6



Tahoe City Commercial and Infrastructure
5 Year Accomplishments and Future Projects

Business Associations
The Redevelopment Agency provides $130,000 per year annually, toward support of the Tahoe City Downtown Association (TCDA) and the North Tahoe Business Association (NTBA). The TCDA is committed to promoting a vibrant and prosperous commercial core for residents of and visitors to Tahoe City. The NTBA strives to provide leadership and facilitate redevelopment efforts to create a healthy balance of commerce, employment, entertainment and livability while preserving the unique beach town atmosphere of North Lake Tahoe. The two associations represent businesses within their respective areas and provide key business support in the areas of marketing, special events, service projects and public improvement projects coordination and support.

Contaminated Properties
Placer County Environmental Health Department received a $1.5 Million grant from the State of California Water Resources Control Board, Emergency, Abandoned and Recalcitrant Owner Account (EAR) to clean up the Swiss Mart site, one of two contaminated sites located near Highway 28 and Chipmunk Street in Kings Beach. Only $40,237 of this grant was actually utilized. The Agency acquired the two former gas station sites and has contracted with Kleinfelder consultants to assist with site cleanup. The Agency used $1,061,406 of Redevelopment funds to remove leaking oil tanks, remove contaminated soil, demolish the buildings and fence off the sites.

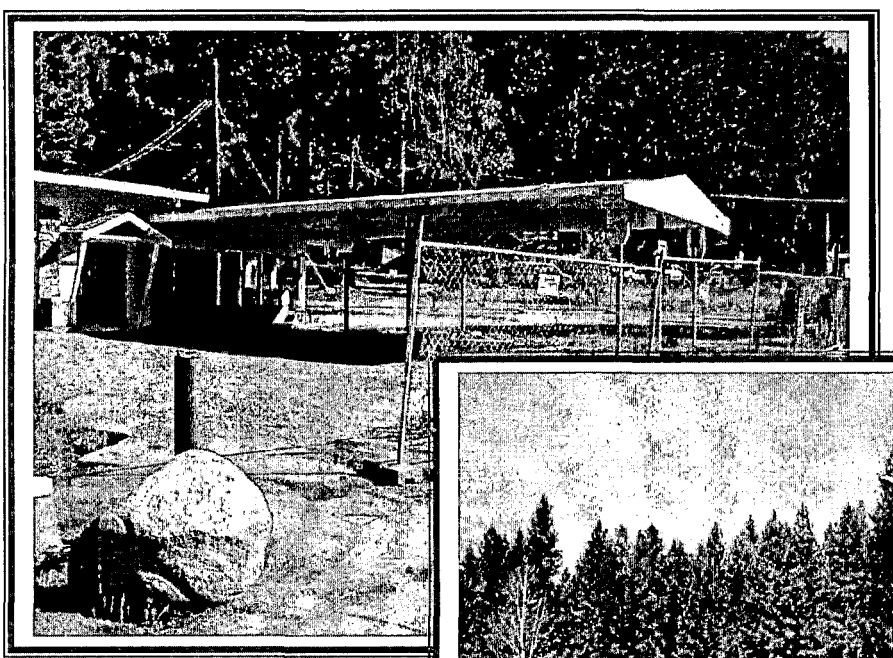


Figure 7:
In 2007 the Agency acquired the Brownfield Swiss Mart site. The Agency subsequently paid for testing, cleanup, demolition and fencing of the site.

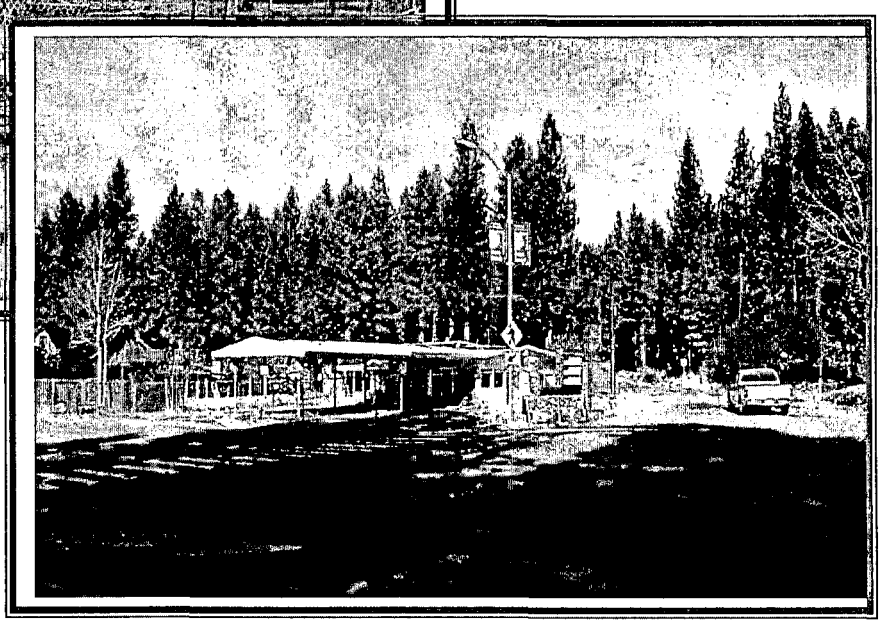


Figure 8:
The Swiss Mart site before demolition and construction of the Kings Beach Gateway Monument Sign.

Gateway Monuments
The Redevelopment Agency constructed a Gateway Monument Signs for the entrances to Kings Beach and Tahoe City.

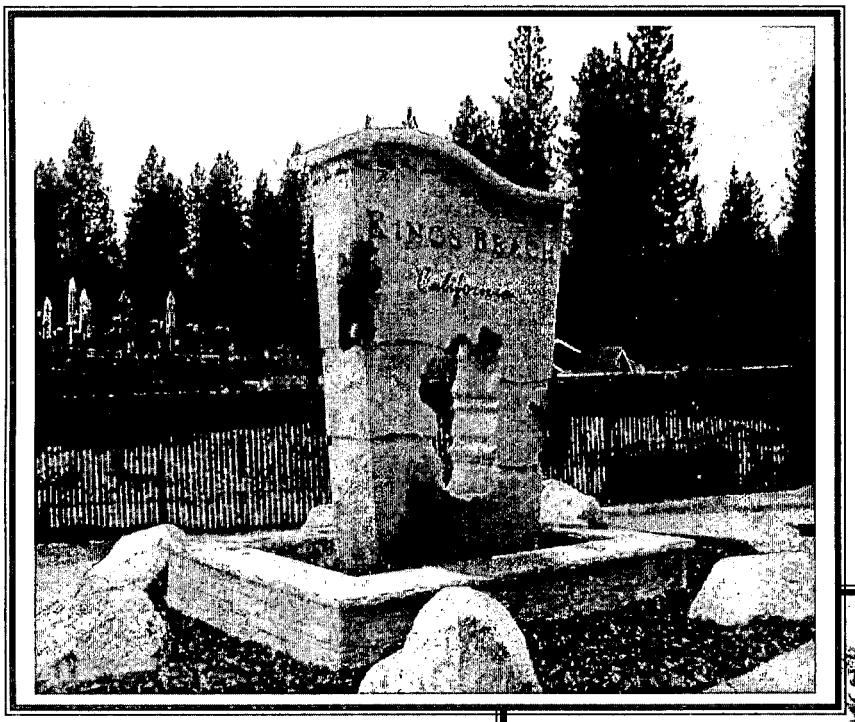


Figure 9: The Kings Beach Gateway Monument Sign was completed in 2009 (Left)

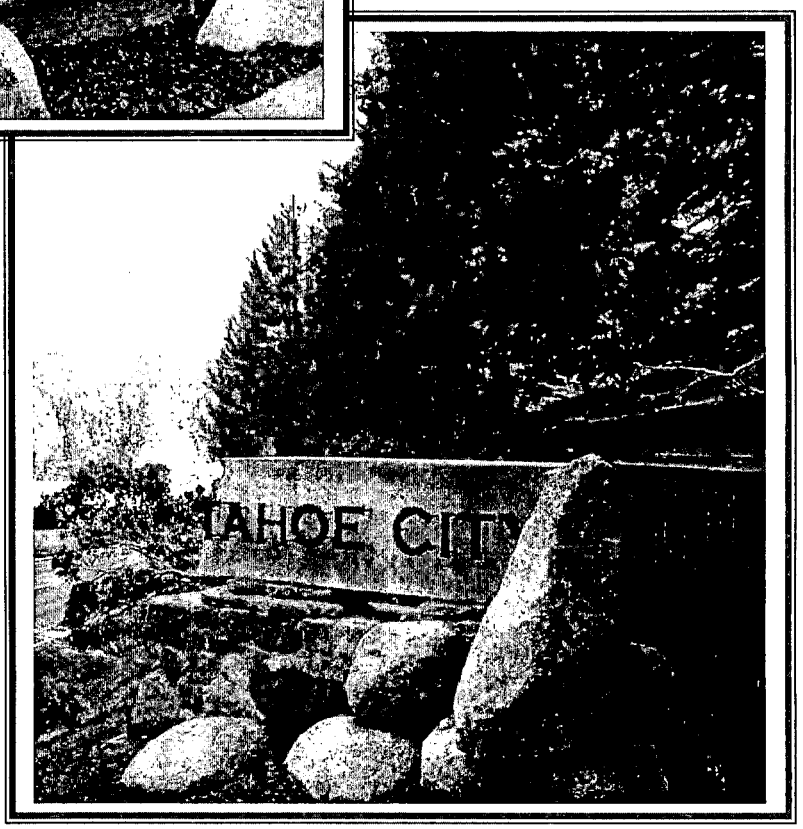
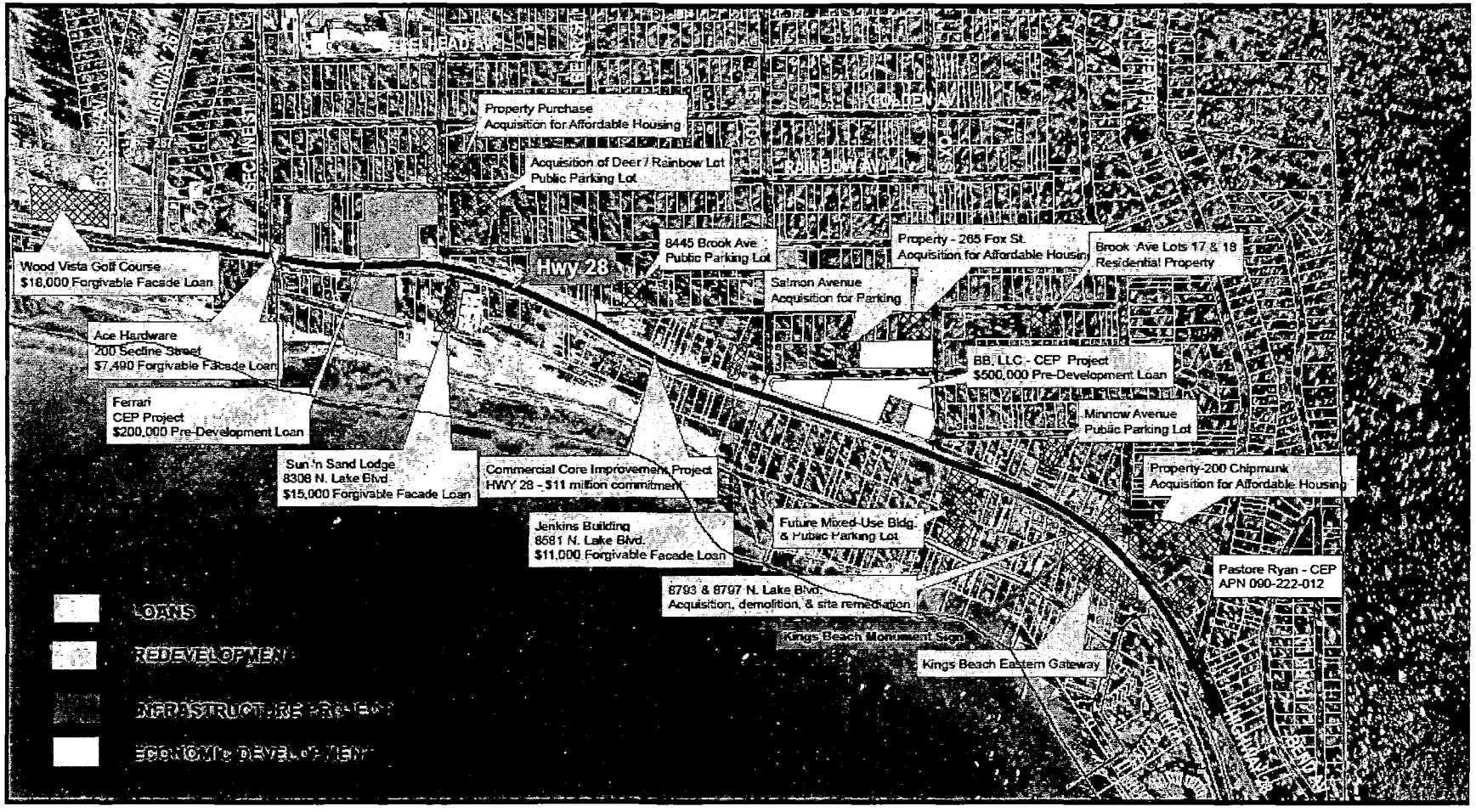


Figure 10: Two Tahoe City Gateway Monument Signs were completed in 2010 (Right)

Figure 11



Kings Beach Community

Ferrari Properties

BB, LLC

KB Commercial Core Improvement Project

N

Legend

Parcels

RDA_Boundary

Other infrastructure and public facilities projects provided funding and other assistance by the Agency but yet to be implemented include:

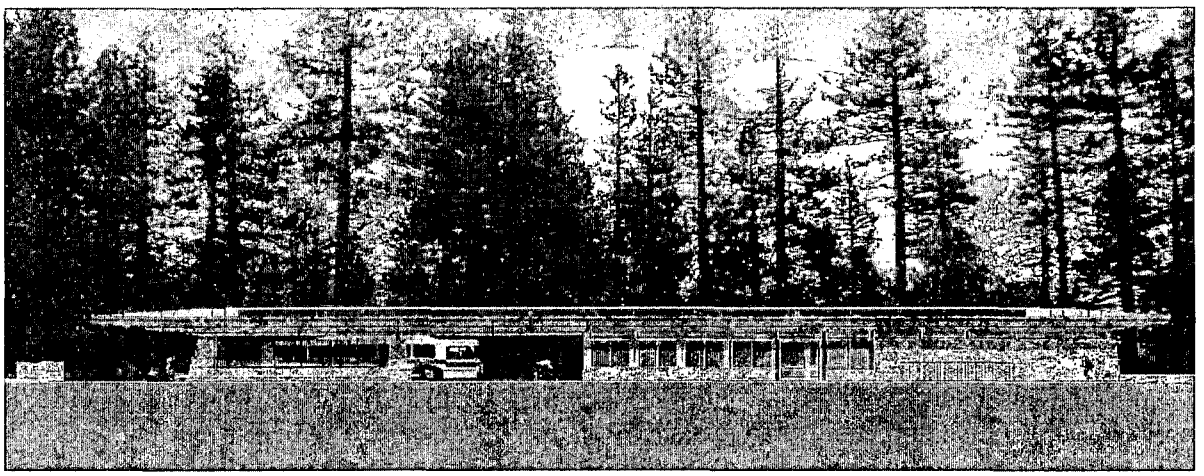
1. Tahoe City Bike Path (extension of lakeside path)
2. Lake Forest Water District (installation of new trunk lines, fire hydrants and associated improvements)
3. Tahoe City Wye Improvements (landscaping and related improvements)

Heritage Plaza is a project located near Watson Cabin on the lake side of Hwy. 28 in Tahoe City and has received $15,000 of Agency funds for the Tahoe City Public Utility District (PUD) to construct public improvements. The Plaza is a gathering place for tourist and residents alike, with seating and other amenities. Heritage Plaza is a .8 acre site that was acquired with grant funding from the California Tahoe Conservancy and the North Lake Tahoe Resort Association. This property preserves and enhances regional public access and recreational opportunities in the Lake Tahoe Basin.

The Tahoe City Sewer Pump Station received $150,000 of Agency funds for improvements to the PUD facility in the Tahoe City Marina. This project is associated with a proposed expansion of the marina.

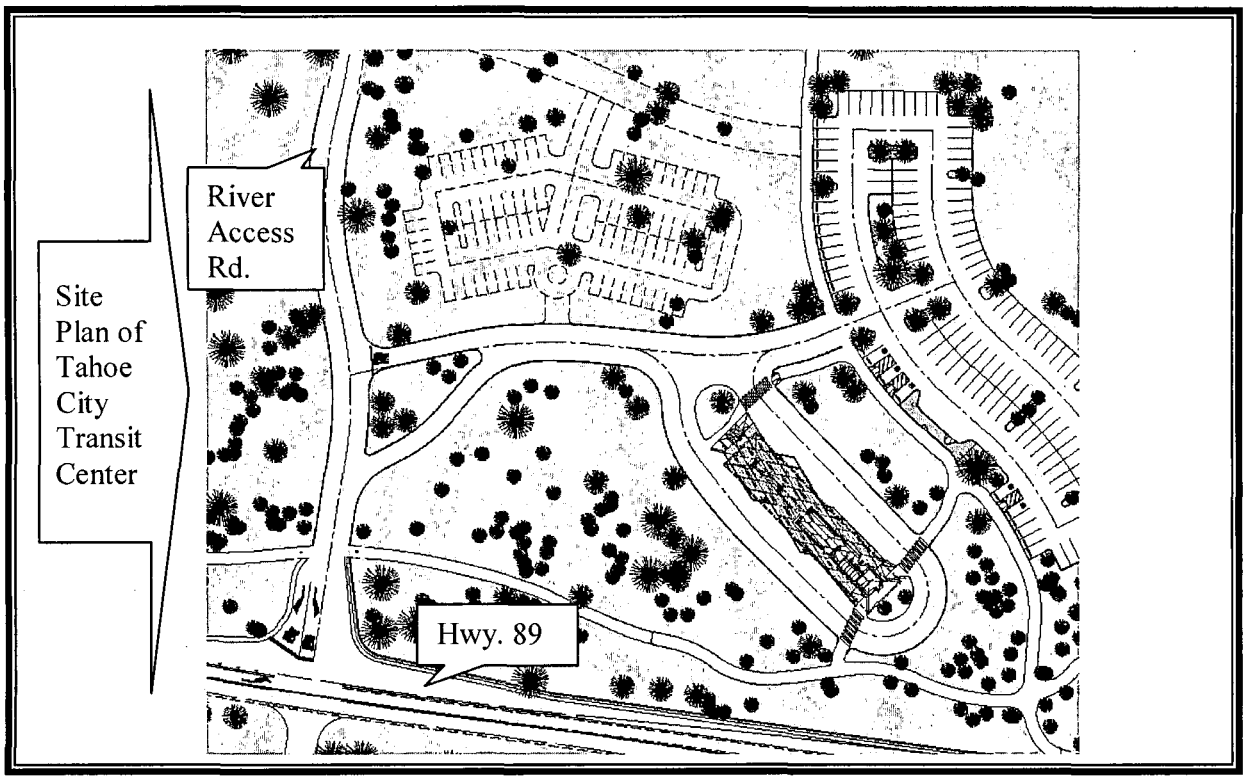
The Tahoe City Transit Center has received approximately $450,000 of Agency funds. It is an intermodal facility located south of the Wye intersection in Tahoe City. Actual construction of this facility started in June of 2010. The site work is underway and it is anticipated that the building will be completed in 2011. Figures 12 and 13 show a rendering and site plan of the Transit Center.

Figure 12



Conceptual Rendering of Tahoe City Transit Center

Figure 13



Redevelopment Projects in Process

1. Everett Commercial Project - the Agency acquired the approximately 0.9 acre site in Kings Beach with the intention of implementing two separate projects. On the portion fronting Highway 28 the Agency plans to issue a Request for Proposals to solicit commercial or mixed use development proposals. On the back portion the Agency plans to design and construct a public parking lot to benefit the surrounding commercial district.
2. Commercial Loans - The Agency will continue to market and manage its commercial loan program, which provides three types of business assistance loans (Commercial Rehabilitation Assistance Loans, Forgivable Façade Loans, and Mixed Use Pre-development Loans). In the past five years period the Agency provided an $18,000 Façade Loan to assist the Old Brockway Golf Course to install a new decorative split rail perimeter fence and a $14,902 loan to Mourelatos Lakeshore Resort to install improved lighting and electronic door locks.
3. Design Workshop and EPS Studies - these studies by the consulting firms Design Workshop and Economic Planning Systems developed redevelopment and community revitalization implementation strategies for Kings Beach and Tahoe City. They explored market opportunities and constraints, conducted stakeholder interviews and held community workshops, all aimed at identifying key issues and directions for the North Lake Tahoe Region, focusing on land use, current economic problems and opportunity sites for future redevelopment projects.

On November 27, 2007, the Agency Board adopted new Relocation Guidelines, based on California State Relocation law, to assist Agency staff in evaluating individual and business eligibility and to guide the processing of relocation payments and assistance. The new Guidelines assisted and guided the Agency in providing relocation assistance for tenants displaced from Agency-owned properties at the Kings Beach Eastern Gateway and Kings Beach Scattered Sites Housing Project sites.

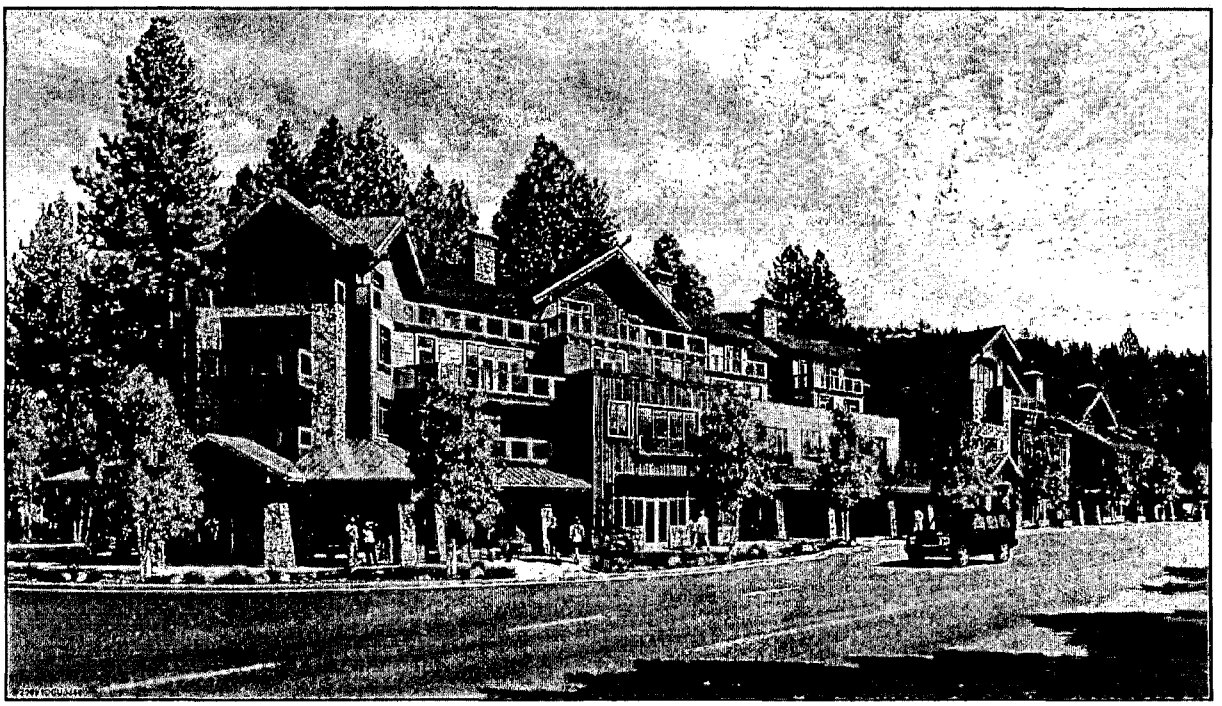
Community Enhancement Program (CEP)

In 2007 the Agency Board authorized $200,000 to assist predevelopment planning and design for the Ferrari Family Resort Mixed Use Project in Kings Beach. This is a Community Enhancement Program (CEP) project and continues through the TRPA planning process. Community Enhancement Projects are focus pilot projects being processed through the entitlement procedures by TRPA, while they are updating their Regional Plan. CEP projects are intended to combine community planning techniques, such as transit oriented development, mixed use, in-fill redevelopment, environmental Best Management Practices (BMPs), etc. The Ferrari project is proposed to enhance public beach access, restore sensitive lands, eliminate nearly all parking from the lake side portion of the project, improve scenic quality along Hwy. 28, and install BMPs that will improve drainage and runoff from surrounding properties into Lake Tahoe. The proposed development will include motel lodging, commercial retail, restaurants, housing and a parking structure.

The BB, LLC Kings Beach Town Center

This project is supported by Agency funds. It is a CEP Project that will be built on a four acre site fronting Hwy. 28 in Kings Beach between Fox Street and Coon Street. This mixed use project will combine commercial, professional office, residential and public uses and will also include public plazas, workforce housing and a parking structure. It will serve as the Kings Beach Town Center. It will integrate the neighborhood by linking housing to neighborhood shopping, employment, transit, parks, schools, trails, bikeways and other public facilities. So far the Agency has supported this project with a $500,000 predevelopment loan for engineering and planning expenses and the Agency acquired mortgage bank loans for the project site in 2010 for approximately $4.3 million.

Figure 14:
Rendering of BB, LLC Kings Beach Town Center Project



Kings Beach Eastern Gateway

Since 2006 the Agency has acquired multiple parcels of land for the Eastern Gateway Project at the eastern end of Kings Beach. These parcels have been cleared and are slated for mixed use and housing development. One of these parcels – the old Swiss Mart Site, at the northwest corner of Chipmunk Street & Hwy. 28, now contains the Kings Beach Gateway Monument Sign, and the rest of the 1/3 acre site is reserved for mixed use or commercial development. The site just across Chipmunk Street from the Swiss Mart site will soon contain affordable housing as part of the Kings Beach Scattered Sites development. There are three separate corners of Hwy. 28 and Chipmunk Street that make up the larger Kings Beach Eastern Gateway. The Agency has been acquiring multiple properties in separate acquisition transactions. The Agency has demolished old deteriorated buildings on all three corners (including two abandoned gas stations), conducted Brownfield cleanup, provided relocation assistance to relocate tenants, demolished vacant structures, and contracted with consultants to conduct development feasibility studies for the Eastern Gateway sites. The Agency has also conducted community workshops to discuss how best to develop these sites. In 2010 the Agency issued a Request for Proposals for developers to develop a 1.3 acre site at the southwest corner of Chipmunk Street and Hwy. 28. The Agency currently is evaluating proposals that were submitted.

Figure 15:
Eastern Gateway Charette,
June 15, 2010 (Left & Below)

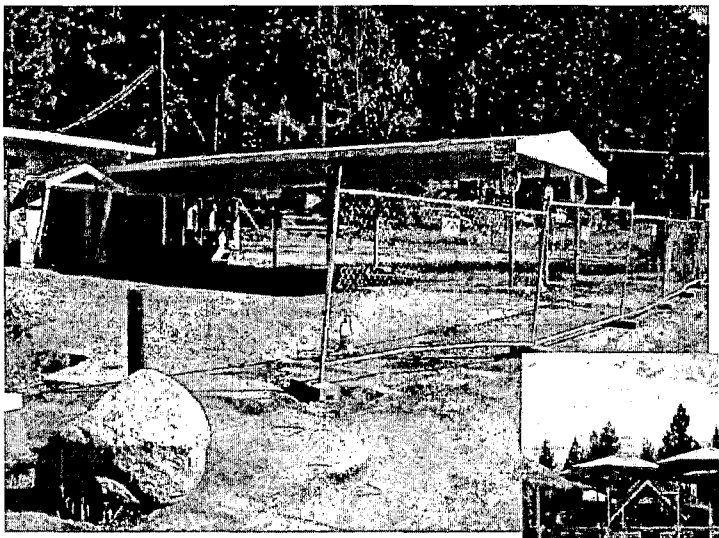
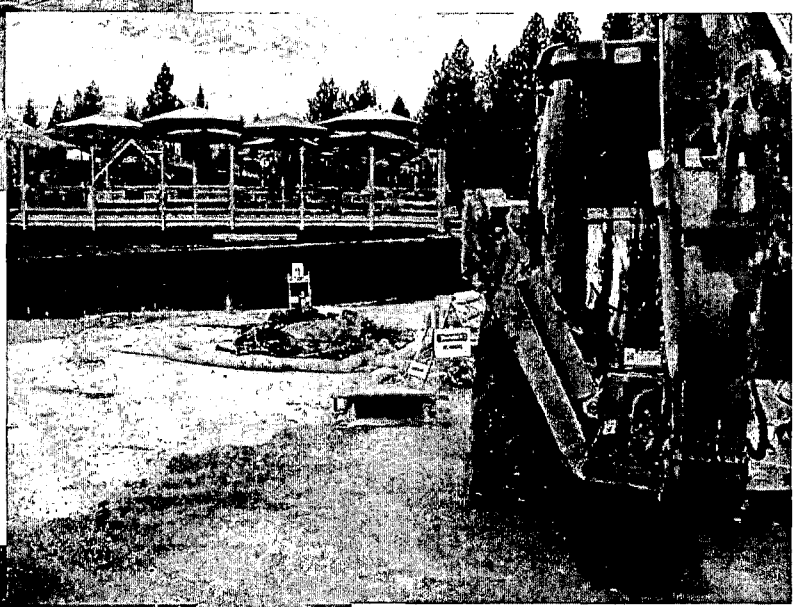


Figure 16:
Swiss Mart Site, Kings Beach before Agency remediation efforts in 2007 (Left & Below)



Swiss Mart site today (Below)

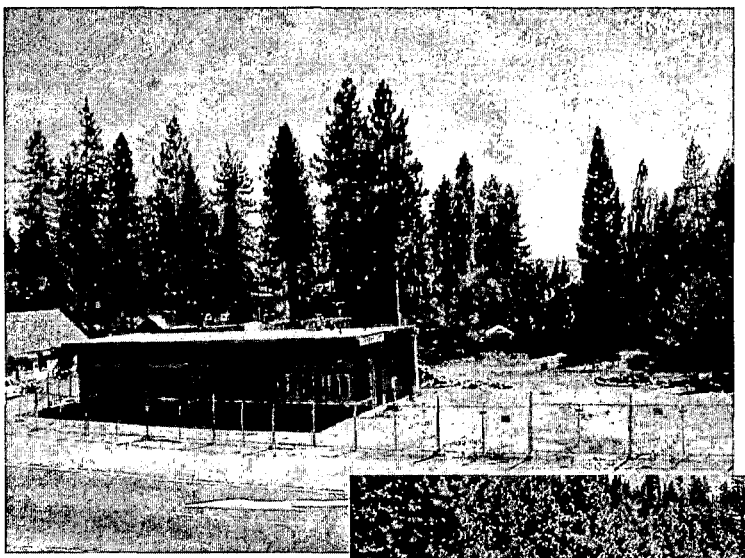
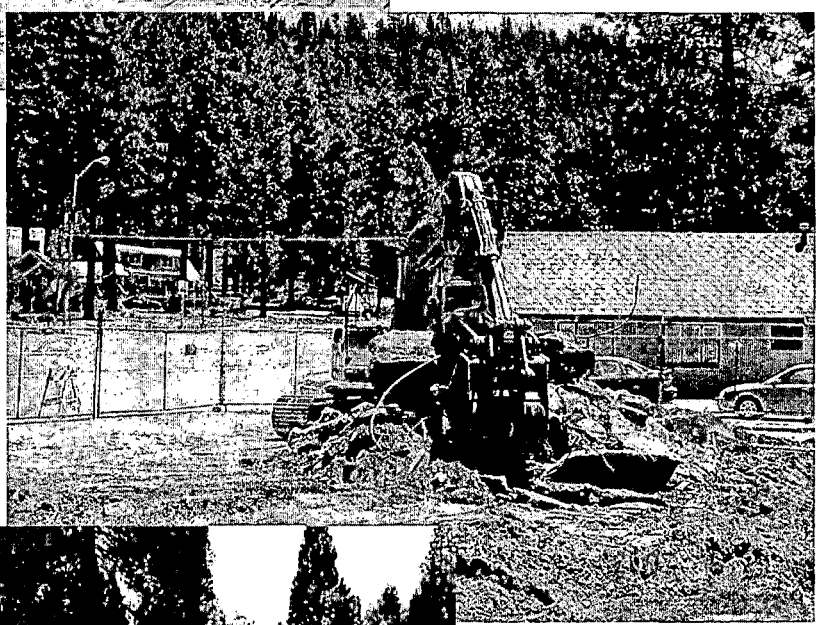


Figure 17:
Ronning KB Eastern Gateway Site, before and during remediation by the Agency (Left & Below)



Ronning Site today, cleared for new development (Below)

AFFORDABLE HOUSING

PAST ACCOMPLISHMENTS 2006 – 2011

Over the past five years redevelopment housing activity in Lake Tahoe was devoted to supporting new housing and housing rehabilitation projects that focused on increasing and improving the supply of low and moderate-income housing. Agency staff worked in conjunction with County Planning, other public agencies, TRPA, investment property owners, resident homeowners, affordable housing developers, and non-profit corporations to address the critical need for affordable housing.

Lake Tahoe is a unique environment where development of affordable housing is a challenge on a number of levels. Clearly, the need for affordable housing outpaces the available land and local state and federal dollars necessary for development.

Intergovernmental Cooperation
Within the Project Area, TRPA's Code of Ordinances as well as Placer County's Building and Subdivision Codes establish specific regulations and thresholds for, among other things, land use, density, rate of growth, and land coverage. TRPA's Code of Ordinances also sets maximum annual housing unit allocations, as well as density and coverage limitations on multi-family development. These ordinances are meant to ensure that environmental thresholds are adhered to and that Lake Tahoe is protected from environmental degradation. However, this additional layer of requirements adds to the challenge of developing affordable housing within the Lake Tahoe region and greatly increases the cost of development. TRPA has adopted programs to address the need for workforce housing units in which certain housing developments may obtain special consideration from TRPA's allocation requirements.

Land Use & Hydrology Challenges
In addition to a unique land use regulatory environment, Lake Tahoe has additional challenges to the creation and maintenance of adequate affordable housing, including a large seasonal tourist population and a substantial second-residence population that limits access to permanent affordable housing units. Dean Runyan Associates prepared *The Economic Significance of Travel to the North Lake Tahoe Area, 1997-2002 Detailed Visitor Impact Estimates*, in December 2003, and noted that nearly 6 in 10 housing units in the Lake Tahoe Basin are vacation homes classified for seasonal, recreational, or occasional use. Other studies such as *the Economic and Redevelopment Strategies for Kings Beach and Tahoe City*, prepared for the Agency in 2007 by Economic and Planning Systems, and the housing demand review study for the previously proposed Cedar Grove housing project have also addressed the lack of affordable housing within the region and concluded that there is a shortage of approximately 800 affordable housing units in the Lake Tahoe region. Another significant challenge to the development of affordable housing in the area is the relatively high cost of land, labor and building materials due to Lake Tahoe's elite resort status, severe winter weather and remote location. In addition, special drainage improvements are required for all new development to control run off into Lake Tahoe. Although

developing long-term affordable units may be difficult in Lake Tahoe, the Agency has made progress in several areas.

Inclusionary/Employee Housing Progress
The Placer County Board of Supervisors approved a $350,000 loan from County Housing Trust Funds for the development of the 96-unit Sawmill Heights employee housing project located in Martis Valley, near the Project Area. Of the units, 84 are affordable at the moderate–income level and 12 units are affordable at the low–income level. When this development experienced financial setbacks in 2010, the County Board of Supervisors approved waiving the $350,000 debt in return for extending the deed restriction to ensure affordability from 20 to 55 years.

Housing Rehabilitation Assistance
A $400,000 CDBG grant was obtained in 2009 to be utilized for housing rehabilitation loans in the Kings Beach area. The matching funds for this grant are $225,000 from Tax Increment Housing Set Aside funds and $7,500 from the Placer County Air Pollution Control District's woodstove replacement program. The Agency has assisted one owner-investor affordable housing rehab on Bend Avenue and another rehab application is in the review pipeline for a unit on Cutthroat Ave. in Kings Beach.

A relocation of a water line on Beaver Street was provided rehab loan funding with Project Area Housing Set Aside funds. This project was required by the local North Tahoe Public Utility District as part of a larger project to upgrade water delivery infrastructure in the community.

Affordable Housing Development
Brook Avenue, Lots 17 & 18, in Kings Beach were purchased by the Agency in 2006. They were conveyed to Domus Development in 2010 to provide 2 units of affordable housing as part of the 77-unit Kings Beach Scattered Sites Housing Project.

In 2008 the Agency acquired three more Kings Beach sites on Deer Street, Fox Street and Chipmunk Street. These sites, along with the vacant site on Brook Avenue, and a site on Trout Avenue acquired by the Agency in 2009, form the Domus Scattered Sites Affordable Housing Development. Domus and the Agency successfully applied for a $3.3 Million Infill Infrastructure grant, a $2.1 Million HOME grant and a $21 Million Low Income Housing Tax Credit allocation to make this project work. Entitlement permits were approved by Placer County and TRPA in 2010. The Agency approved a Disposition Development and Loan Agreement (DDA) with Domus, now known as KBHA on March 24, 2010. Through this DDA the Agency provided gap financing and a land loan worth a combined $7,918,300 to assist the project. Construction has already begun on two of these sites – Fox Street & Brook Avenue. The rest of the sites are scheduled to begin construction in the spring of 2011.

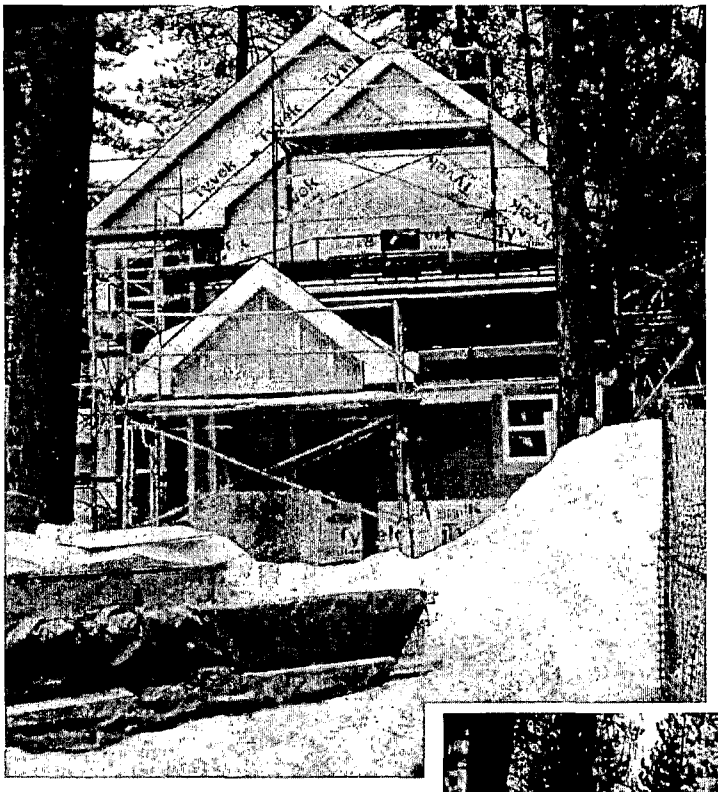


Figure 18: Domus (KBHA) Affordable Housing Development, under construction on Brook Avenue Site (Left)

Figure 19: Domus (KBHA) Affordable Housing Development, Under construction on Fox Street Site (Right)

FINANCIAL PROFILE

The Agency has made significant progress since the adoption of the Redevelopment Plan toward eliminating blighting influences within the Project Area. From 2006 to 2011, $54,764,734 in Tax Increment and bond proceeds have been budgeted toward commercial and infrastructure projects within the Project Area. Additionally, steps have been initiated to create new housing opportunities, and housing rehabilitation loans have been provided to low-income households within the Project Area. Approximately $13,200,000 in various housing funds have been allocated by the Agency to the Project Area in support of the development of 77 affordable units. Additional funding supported housing rehabilitation assistance, foreclosed housing acquisition and the planning and promotion of other affordable housing in the area. More detailed information can be found in the Annual Report.

For this Plan the Agency is estimating an annual growth rate of 3% for gross tax increment in the North Lake Tahoe Project Area. Historically, the Agency saw higher annual growth rates and in the past two fiscal years saw actual revenue declines. It should be noted that the revenue projections are estimates only and the redevelopment program may need to be adjusted if actual revenue numbers vary significantly from the projections. Furthermore, the State of California, during its 2011-2012 Budget deliberations has discussed proposals to cut back or even eliminate all redevelopment agencies. However, as of the time of the preparation of this Plan, the State has taken no action regarding redevelopment agencies and this Plan uses the assumption that the State will not reduce tax increment revenues whatsoever in the coming five years.

Figure 20:
Projection of North Lake Tahoe

Tax Increment Revenues
FY 2011/12 – 2015/16
($'000s)

	Fiscal Year 2011/2012	2012/2013	2013/2014	2014/2015	20015/2016
Gross Tax Increment Revenues	$6,515	$6,718	$6,924	$7,135	$7.351
Pass Throughs	$1,694	$1,771	$1,849	$1,928	$2,009
Net: Required Housing Set-Aside	**$1,303**	**$1,344**	**$1,385**	**$1,427**	**$1,470**
Net: General Tax Increment Revenues	**$3,518**	**$3,603**	**$3,690**	**$3,780**	**$3,872**

Redevelopment agencies are required by law to deposit not less than twenty percent (20%) of the gross tax increment generated in a project area into a special fund to be used for qualified low and moderate income housing programs. This fund is sometimes referred to as the 20% Housing Set Aside Fund. Pursuant to 1994 State legislation (AB 1290), redevelopment agencies are also required to make payments to affected taxing entities such as school districts, fire districts, public utility districts, etc. from tax increment generated in the Project Area. The tax sharing payments or "pass-throughs" are based on a three tiered formula, allocating the remaining Tax Increment funds after the taxing agencies pass-throughs are made and after the redevelopment agency's

deposit to its housing set aside fund. Of the gross Tax Increment (Figure 20), $18,463,000 in projected Tax Increment will be available for commercial development or public infrastructure projects between 2011 and 2016. The total housing fund revenues are projected to be $6,929,000 according to Figure 20.

The Agency seeks opportunities to leverage its limited financial resources by applying for favorable loans and grants from the federal, state, local, or private sector sources. The Agency also leverages its funds with funding from the County, other agencies, and contributions from developers, property owners and private lending institutions. The Agency may use its dollars to meet matching requirements of these potential funding sources. In April of 2006 the Agency Board authorized moving forward with bonding measures. The North Lake Tahoe Commercial Tax Allocation Bond was issued for $15,765,000. The balance of the bond funds available as of June 30, 2011 for the next five years is $10,231,596. The combined Project Area Housing Bond was for $5,865,000. North Tahoe's allocation of the housing bond funded the purchaser of land for KBHA Scattered Sites Housing Project in Kings Beach.

THE NEXT FIVE YEARS

REVISED GOALS & IMPLEMENTATION FOR 2011 - 2016

In this North Lake Tahoe Redevelopment Project Area Implementation Plan the following Redevelopment Goals, Objectives, Policies and Implementation Measures are identified, in the areas of Blight, Public Infrastructure, Commercial, Mixed Use & Industrial, Housing, Environment, and Advance Planning.

Blight:

Goal A -To eliminate blighting influences in North Lake Tahoe

- **Objective A-1** - Reduce small and irregular lots
  - **Policy A-1-a-** Consolidate small and irregular lots into sizes that will accommodate current development
    - **Implementation A-1-a-1)** Purchase and assist other parties to purchase small and irregular lots that are strategically placed when they come on the market

- **Objective A-2** - Reduce faulty exterior spacing
  - **Policy A-2-a-** Improve building separation and setbacks
    - **Implementation A-2-a-1)** Assist redevelopment projects that improve setbacks, separation and site conditions.

- **Objective A-3** - Reduce deteriorated, obsolete and aged building types
  - **Policy A-3-a-** Remodel or redevelop deteriorated or obsolete buildings to accommodate current development

Implementation A-3-a-1) Construct and remodel structures to new building codes, and energy efficiency, fire resistant materials and defensible space standards

Objective A-4 - Reduce incompatible, uneconomic and underutilized land uses

Policy A-4-a- Promote adjacent land uses that complement and enhance each other

Implementation A-4-a-1) Support update of the North Tahoe Community Plan and its land use designations that further redevelopment goals

Policy A-4-b- Provide opportunities for land owners to participate in revitalization of their properties

Implementation A-4-b-2) Encourage participation in the redevelopment programs, such as Commercial Loan Programs, redevelopment projects, and housing rehabilitation loan programs

Public Infrastructure and Facilities:

Goal B - To reduce inadequate or deteriorated public infrastructure, facilities and improvements

Objective B-1 - Reduce inadequate or deteriorated public improvements

Policy B-1-a- Coordinate with all Tahoe utility and public works providers on leveraging of grant funds, utility rebates and local funds for the improvement of utilities and public facilities

Implementation B-1-a-1) Tailor marketing and other programs to include Tahoe utility and public works providers

Policy B-1-b-Facilitate pedestrian and vehicular circulation improvements

Implementation B-1-b-1) Support traffic calming measures

Implementation B-1-b-2) Support projects to improve the safety, effectiveness and aesthetics of roads, such as bike paths, sidewalks, drainage facilities, lighting, landscaping and related streetscape amenities

Implementation B-1-b-3) Support the inclusion of pedestrian and vehicular circulation improvements in private redevelopment projects

Implementation B-1-b-4) Obtain CDBG, I-Bank and other grants and loans for public infrastructure and facilities improvements

Commercial, Industrial & Mixed Use Development:

Goal C - To improve commercial, industrial and mixed use development in North Lake Tahoe

Objective C-1-Strengthen community and tourist serving commercial and mixed use development by facilitating better parking

Policy C-1-a- Provide improved parking by supporting business districts within the Project Area

Implementation C-1-a-1) build more parking lots in close proximity to commercial development

Objective C-2-Improve necessary industrial development in North Lake Tahoe

Policy C-2-a-Improve necessary utilities' capacity to support industrial development

Implementation C-2-a-1) Coordinate with existing industrial properties owners and businesses to assist future expansion plans and to address capacities needed

Objective C-3-Expand Employment opportunities in the area

Policy C-3-a-Encourage business expansion & improvement in the Project Area

Implementation C-3-a-1) Apply for CDBG and other grant programs in support of employment generating and retaining projects

Implementation C-3-a-2) Conduct Business Expansion & Facade Improvements assistance programs

Implementation C-3-a-3) Assist the planning, design and construction of commercial, industrial and mixed use projects

Housing Development:

Goal D - Increase Housing Opportunities in the North Lake Tahoe Project Area

Objective D-1-Improve on the supply of low and moderate income housing through rehabilitation

Policy D-1-a-Facilitate housing rehab through current housing condition and income surveys and housing rehab assistance loan programs

Implementation D-1-a-1) Apply for and implement CDBG & HOME grants for housing rehab in North Tahoe

Implementation D-1-a-2) Use Housing Set Aside funds as needed to supplement grant funds

Objective D-2-Improve on the supply of low and moderate income housing through new construction

Policy D-2-a-Apply for CDBG and HOME grants and other available financing

Implementation D-2-a-1) Use North Tahoe Housing Trust Fund to finance new affordable housing in North Tahoe

Implementation D-2-a-2) Apply for CDBG, HOME and other available grants for new construction of affordable housing in North Lake Tahoe

Implementation D-2-a-3) Partner with Affordable Housing Developers for use of Federal Low Income Housing Tax Credits

Implementation D-2-a-4) Use Housing Set Aside funds as needed to supplement other funding

Environment:

Goal E – Improve the North Lake Tahoe environment and improve access to Lake Tahoe and its recreational amenities

Objective E-1-Correct environmental deficiencies related to public infrastructure and facilities

Policy E-1-a- Maintain TRPA Environmental Threshold carrying capacities for all new public infrastructure and facility projects

Implementation E-1-a-1) Participate in the TRPA's Community Enhancement Program (CEP) and Environmental Improvement Program (EIP)

Policy E-1-b-Maintain TRPA Environmental Threshold carrying capacities for all rehabilitated public infrastructure and facility projects

Implementation E-1-b-1) Participate in TRPA's CEP and EIP for rehabilitated public infrastructure and facility projects

Objective E-2-Correct environmental deficiencies related to private development

Policy E-2-a-Maintain and improve TRPA Environmental Threshold carrying capacity for all private development

Implementation E-2-a-1) Participate in TRPA's CEP and assist the inclusion of environmental improvement and protection facilities in private development projects

Objective E-3- Improve public access to the North Lake Tahoe natural resources

Policy E-3-a-Coordinate with the various conservation groups and public agencies to integrate open space and lake access in new developments

Implementation E-3-a-1) Rehabilitate and improve public recreational facilities

Implementation E-3-1-2) Assist the planning, design and implementation of private redevelopment projects that provide open space and controlled access to the natural environment

Advance Planning

Goal F – To coordinate advance planning for the North Lake Tahoe area

Objective F-2-The provision of current and relevant community development standards

Policy F-2-a-Maintain a current Community Plan

Implementation F-2-a-1) Support Community Plan Updates

Policy F-2-b-Maintain current Design Review Standards

Implementation F-2-b-2) Support updates of the Design Review Standards

Objective F-3- Plan for Commercial, Mixed Use & Industrial growth of the Project Area

Policy F-3-a-Develop long range guidelines for Commercial, Mixed Use & Industrial growth in the Project Area

Implementation F-3-a-1) Seek funding support and assist the preparation of guidelines

Figure 21:

North Lake Tahoe Redevelopment - Goals, Objective & Implementation Programs Matrix

Goals & Objectives	Consolidate small & irregular lots	Energy eff., fire resist., defens. space	Review setback & yard regs.	Update Community plan	Community Enhancement Program	Comprehensive marketing	Traffic calming measures	Pedestrian & bike improvements	Parking lots	Upgrade utilities	Home rehab loans	New affordable housing	TRPA Environmental threshold	Rehab public recreation	Design Review Stan.	
	Implementation Programs															
Elimination of blight																Elimination of Blight
Lot size	√				√							√				
Faulty exterior spaces	√	√	√		√						√	√			√	
Aged & obsolete buildings		√			√							√				
Incompatible & underutilized land	√	√		√	√				√			√			√	
Improve pub.infrastructure & facilities																Improve Infrastructure
Infrastructure					√		√	√	√	√		√		√	√	
Facilities					√		√	√	√	√		√		√	√	
Improve commercial & industrial																Com. & Ind. Improve
Commercial		√			√	√	√	√	√	√					√	
Industrial										√					√	
Increase affordable housing																Affordable Housing
Housing Rehab		√		√		√		√		√	√				√	
New Housing				√	√	√	√	√	√	√	√	√			√	
Improve the environment																Improve Environment
Public Infrastructure					√		√	√	√	√		√	√	√		
Private Development					√			√		√	√	√	√	√	√	
Lake & Recreation Access					√			√		√			√	√		
Advance Planning																Advance Planning
Provide for advance planning			√	√	√	√	√			√			√		√	

COMMERCIAL DEVELOPMENT, INFRASTRUCTURE AND PUBLIC FACILITIES IMPROVEMENTS

The Agency will continue implementation of the commercial and mixed use development, and public infrastructure and public facilities goals of the North Lake Tahoe Redevelopment Plan with the following focus:

Improving Public Infrastructure

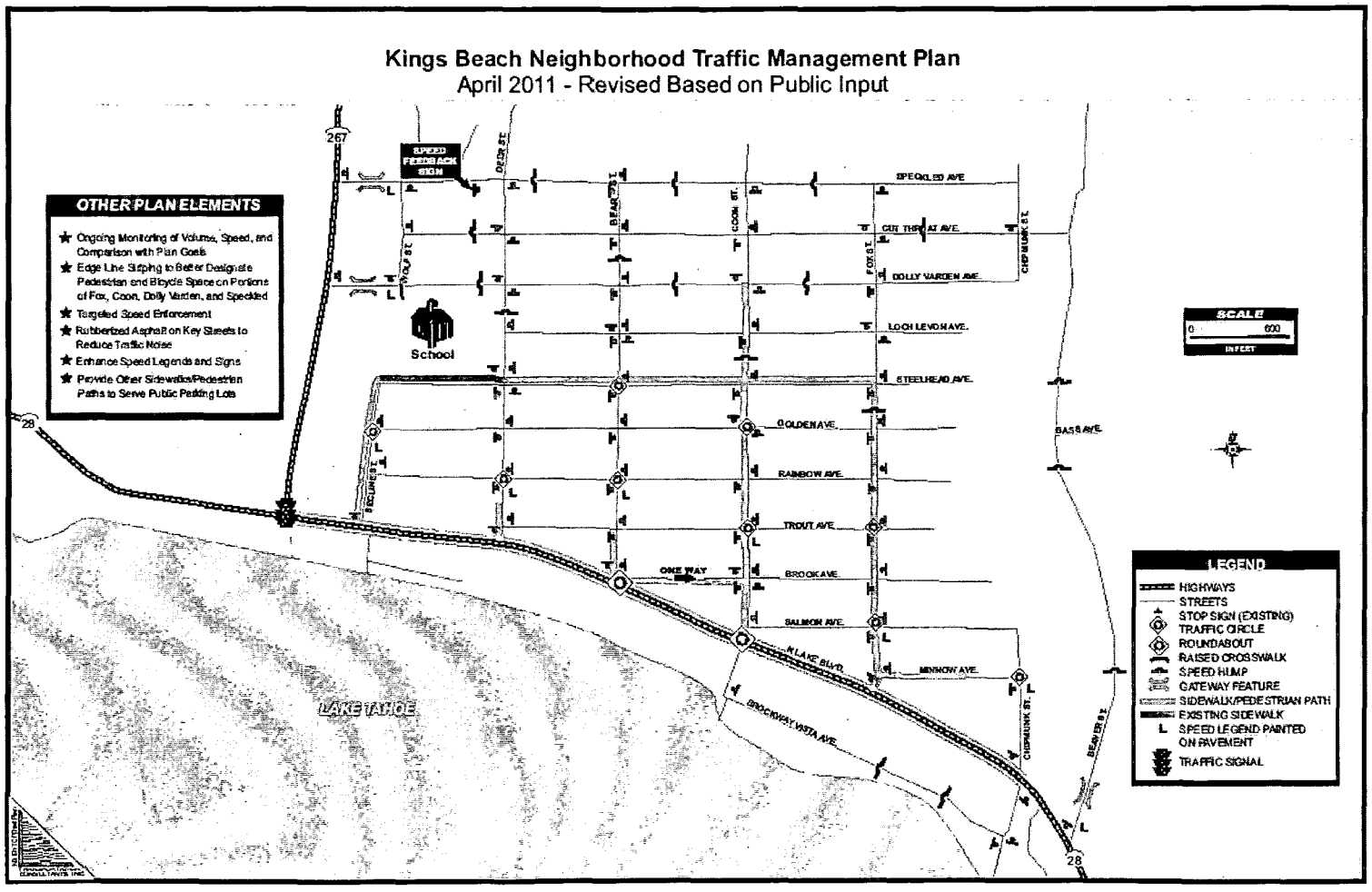
The Agency will continue to focus on the design and construction of streets and streetscape improvements, public gathering places, water, sewer, storm drain and water quality facilities improvements, upgrading and undergrounding of overhead utilities, enhanced transportation and parking facilities, and gateway identity or sign projects. The Agency anticipates investing approximately $28,700,000 for these types of activities. One of the major projects identified for planned funding is the Kings Beach Commercial Core Improvement Project.

Kings Beach Commercial Core Improvement Project

The Placer County Department of Public Works is the lead agency for the Kings Beach Commercial Core Improvement Project. This project will enhance the overall appearance, function and safety of the public right-of-way of State Highway 28 through the commercial core area of Kings Beach adjacent to Lake Tahoe, from east of Chipmunk Street to State Highway 267. Pedestrian, motor vehicle and bicyclist safety will be enhanced and water quality facilities will be upgraded. Sidewalks, curbs, gutters, bicycle lanes, crosswalks, landscaping, lighting, reconfigured roadways and intersections, traffic signals, roundabouts, on-street parking and off-street parking lots, and an upgrade of the drainage system to improve storm water quality are planned. The main focus area for the project is Highway 28, but the project also includes a series of new sidewalks, traffic calming enhancements and water quality improvement facilities scattered throughout the neighborhood grid of Kings Beach, adjacent to Highway 28. The total estimated cost of this project is $45 million Agency expenditures and financial commitments total $11 million. The breakdown of funds is as follows: $1,397,000 is committed under a separate agreement for the Rainbow Ave. public parking lot, the design and installation of which will be managed by the County Public Works Department. Part of the $1,397,000 has already been spent. Available funds going forward total $6,159,849 of which $1,200,000 is being reserved for the Everett property public parking lot. Total funds that have been allocated to Placer County Department of Public Works for their future expenditures are $4,959,849.

The Kings Beach Commercial Core Improvement Project received its final local, State and Federal approvals and environmental certifications in 2010. Initial parking lot and water quality improvements have been completed. Additional parking, drainage, water quality, sidewalks and neighborhood traffic calming improvements are planned for installation in 2011 and 2012. The main construction on Highway 28 is planned for 2013 and 2014.

Figure 22


Kings Beach Neighborhood Traffic Management Plan
April 2011 - Revised Based on Public Input
OTHER PLAN ELEMENTS
Ongoing Monitoring of Volume, Speed, and Comparison with Plan Goals
Edge Line Striping to Better Designate Pedestrian and Bicycle Space on Portions of Fox, Coon, Dolly Varden, and Speckled
Targeted Speed Enforcement
Rubberized Asphalt on Key Streets to Reduce Traffic Noise
Enhance Speed Legends and Signs
Provide Other Sidewalks/Pedestrian Paths to Serve Public Parking Lots
SPEED FEEDBACK SIGN
School
SPECKLED AVE
CUT THROAT AVE
DOLLY VARDEN AVE
LOCH LEVEN AVE
STEELHEAD AVE
GOLDEN AVE
RAINBOW AVE
TROUT AVE
BROOK AVE
SALMON AVE
MINNOW AVE
N LAKE BLVD
BROCKWAY VISTA AVE
ONE WAY
LAKE TAHOE
SCALE
LEGEND
HIGHWAYS
STREETS
STOP SIGN (EXISTING)
TRAFFIC CIRCLE
ROUNDABOUT
RAISED CROSSWALK
SPEED HUMP
GATEWAY FEATURE
SIDEWALK/PEDESTRIAN PATH
EXISTING SIDEWALK
SPEED LEGEND PAINTED ON PAVEMENT
TRAFFIC SIGNAL

43

Lake Forest Water District Improvements
The Tahoe City Public Utility District has acquired the Lake Forest Water District's facilities located in the Lake Forest Community, northeast of Tahoe City. There are substandard pipes, and other deteriorating infrastructure, contributing to drinking water contamination and inadequate pressure for fire protection. The Agency has committed $400,000 in funds to install new waterlines, fire hydrants and associated improvements. Construction work is planned to begin in 2011.

The Tahoe City Wye Improvements
The intersection of State Highways 28 and 89 at the western gateway to Tahoe City and the lakefront forms what is known as the "Wye." Improvements to the landscaping and pedestrian amenities of the Wye intersection are planned in 2011. The Agency has provided $200,000 in funding for this project.

Tahoe City Transit Center
The Tahoe City Transit Center is being built south of the intersection of State Highways 28 & 89 in Tahoe City. The Tahoe City Transit Center Project consists of an intermodal transit facility that can support the exchange of passengers of up to six buses at one time. The project also includes a 135 space parking lot to support the transit operations and the community. The project is being constructed on United States Forest Service property, under a special use permit issued to the County. The center will be the hub for transit operations on the North Shore of Lake Tahoe, and includes pedestrian and bike trails. Once completed, the center will provide transit support, reduction in traffic congestion, improved air quality, and safer passenger transfers between private and public shuttles, buses, and taxies. Site work has already begun and the facility is scheduled to be completed in the fall of 2011.

Public Parking Lots
The Agency is continuing acquisition of land in the Project Area and improving acquired sites for public parking. Projects under way in Kings Beach include the southeast corner of Deer Street and Rainbow Avenue and the Everett Property located on the lake side of Hwy. 28 opposite Fox Street. Additional parking improvements are proposed near Hwy. 28 in the Kings Beach area. The Agency is also continuing to explore opportunities to add public parking in other commercial areas of the Project Area. The Agency will incorporate added amenities of community benefit in its public parking projects, including streetscape improvements, snowmelt systems and water quality improvement facilities.

Improving Public Facilities

In addition to supporting infrastructure improvements, the Agency also supports the recreational, cultural, public services and esthetic improvements of the North Lake Tahoe Basin. Examples of these types of projects include:

- Parks,
- Cultural centers,
- Public art
- Fire Stations
- Community Service Centers

The Agency will continue to look for opportunities to provide these amenities to the local communities through development project partnerships or as stand alone projects.

A specific example of ongoing projects includes:

- **Tahoe Vista Recreation Area Improvements** - The Recreation Area consists of a 2.7 acre lakeshore parcel with approximately 800 feet of lakeshore frontage and an approximately 3.6 acre parcel across the intersection of North Lake Boulevard (California State Route 28) and National Avenue. Phase 1 Park Improvement Project was opened to the public in July 2006. Phase 1 improvements included opening vistas of Lake Tahoe, improved public beach access, picnic areas, modern restrooms, bike racks, day use kayak racks, open public plaza space, improved boat launching and traffic circulation, interpretive displays, and storm water treatment.

  Phase 2, with funding assistance from the Agency, includes the addition of parking (24 vehicle with trailer pull through spaces and 41 vehicle spaces), bicycle trail, a bus pullout and transportation shelter, landscaping, as well as infrastructure for a concession or warming facility and restrooms. These improvements will be located on the 3.6 acre site. The Agency has approved a $500,000 funding agreement with the North Tahoe PUD, who is managing the project.

Planning and Designing Community Development Projects

The Agency will continue to support planning efforts including the TRPA Regional Plan Update, community plan updates, design guidelines, master planning, environmental planning, and ordinance amendments. The Agency will assist and coordinate with other specific studies as needed to enhance the North Tahoe communities and advance redevelopment goals.

Community Plan Updates

Community Plans are more area-specific documents implementing the Placer County General Plan. The North Stateline Community Plan and the Kings Beach Community Plan were adopted in 1996. The Tahoe City Community Plan was adopted in 1994. All of the North Tahoe plans are over 14 years old and these plans will need to be modified to be consistent with a new updated Tahoe Regional Plan. The Agency will support efforts to update these plans.

Sustainable Communities Grant Program

In the Consolidated Appropriations Act, 2010 (Public Law 111-117), Congress provided a total of $150,000,000 to HUD for a Sustainable Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions, and increase state, regional, and local capacity to incorporate livability, sustainability, and social equity values into land use plans and zoning. The Agency is collaborating with TRPA, Placer County and other local jurisdictions within the Lake Tahoe Basin. TRPA received a Sustainable Communities grant for $995,000 in 2010 of this amount $250,000 is being made available to assist updates of community plans within Placer County. The Agency will work with the other grant partners and assist the studies and planning efforts.

The Sustainable Communities Regional Planning Grant Program will support metropolitan and multi-jurisdictional planning efforts that integrate housing, land use, economic and workforce development, transportation, and infrastructure investments. This program is being coordinated by the U.S. Department of Transportation (DOT) and the U.S. Environmental Protection Agency (EPA). The studies will support and assist the advancement of community plan updates and the Regional Plan update.

Tahoe Regional Planning Agency (TRPA) Regional Plan Update

TRPA adopted a 20-Year regional plan in 1987 and it is overdue for an update. Since 2005 TRPA, Placer County and the Agency have been working collaboratively to prepare this Regional Plan update. The Project Area lies entirely within the TRPA planning area. boundaries. The Regional Plan will guide and regulate land use decisions in the Tahoe Basin. The regional planning process has included numerous public meetings and workshops between various public agencies and the public. Out of these public meetings has come widespread support for the concept known as Transit Oriented Development, which embraces creating vibrant, livable and walkable communities. Such communities are centered around high quality transit systems. The goal of the program is to make a higher quality of life possible without complete dependence on a car, with its need for oil and fossil fuels. Agency staff will continue to participate in the Regional Plan Update process over the Implementation Plan period.

Amendment of TRPA Code of Ordinances - Chapter 15

The TRPA Code of Ordinances prescribes a separate process to adopt a redevelopment plan that is recognized under the TRPA code. A TRPA Redevelopment Plan is different from a Redevelopment Plan authorized under California Community Redevelopment Law. A TRPA redevelopment plan does not authorize financing or land acquisition or disposition activities, but rather allows greater discretion in TRPA regulatory review for projects that provide enhanced environmental benefits. Over the past five year the Agency has worked with County Planning and TRPA to develop plans that will recognize the North Lake Tahoe Redevelopment Project Area under TRPA's code. These plans have been drafted for the separate redevelopment areas of Tahoe City, Kings Beach, Tahoe Vista and Lake Forest. These plans will be considered for formal adoption when the Regional Plan Update is complete.

Funding Commercial Property Owner Improvements

The Commercial Program assists businesses (either new or existing) and property owners with programs and services such as business improvement loans, support for non-profit organizations in business marketing and outreach through main street programs, support for the promotion of new and continuing private sector investment, building improvements, seismic improvements, graffiti abatement, business assistance services, forgivable façade improvement loans, and renovations of existing buildings.

The Agency will continue to support the North Tahoe Business Association and the Tahoe City Downtown Association with funding assistance. The Agency proposes to assist technical studies for a proposed Property Base Improvement District or other assessment districts to be established in the Kings Beach commercial area and possibly Tahoe City as well.

There are three types of commercial loan assistance currently available from the Agency: Forgivable Façade Loans, Commercial Rehabilitation Loans, and Mixed-Use Predevelopment Loans.

Forgivable Façade Loans

Eligible applicants may be owners or tenants of commercial property located in a Placer County redevelopment project area. Corporations, developers, partnerships, sole proprietorships, and cooperatives that are authorized and licensed to do business in California are eligible. Eligible property types include those authorized by zoning and other government regulations to conduct business operations.

The property must be located within the Redevelopment Project Area. Loans can be used for: storefront renovation, signage, exterior doors, windows, shutters, awnings, exterior lighting, roof line modifications, landscaping, sidewalks and street improvements, improvements required to meet Americans with Disabilities Act requirements, design and engineering fees, and certain planning costs.

General property improvements are not eligible such as interior renovation, other than incidental to eligible exterior work, and roof repair. Up to $30,000 per loan is available. The loans are forgivable over time for businesses that continue to operate and properly maintain the property.

Figure 23: Old Brockway Golf Course Fencing Improvements

Commercial Rehabilitation Loans

Commercial rehabilitation loans are designed to stimulate building improvements and upgrade the appearance of commercial properties in the Agency's Redevelopment Project Area. The loans provide gap financing in conjunction with a private lender or serve as financing of last resort for projects that meet program guideline standards.

Ongoing private business concerns, corporations, developers, partnerships, sole proprietorships, and cooperatives that are authorized and licensed to do business in California are eligible. Eligible property types include those authorized by zoning and other government regulations to conduct business operations. The property must be located within a Redevelopment Project Area. Loans can be made for design fees, architecture fees, engineering costs, building improvements or expansion, structural rehabilitation, associated public pedestrian walkways, landscaping, street improvements, hazardous waste cleanup, and other building and site improvements.

Costs incurred prior to submittal of the loan application are not eligible for Agency financing. Up to $150,000 per loan is available.

Mixed-Use Predevelopment Loans

Mixed-use predevelopment loans are designed to promote the development of compact design by combining housing, office lodging and/or commercial uses. Predevelopment loans to developers and property owners are provided to finance the planning and design costs of new development projects.

Eligible applicants include ongoing private business concerns, corporations, developers, partnerships, sole proprietorships, and cooperatives that are authorized and licensed to do business in California. Eligible property types include those authorized by zoning and other government regulations to conduct business operations.

The property must be located within a Redevelopment Project Area. Loans can be made for: design fees, soil studies, environmental review studies, architectural fees, engineering survey fees, permit application fees, and other County or other government agency costs directly related to the project.

The following are not eligible for loans: construction, property acquisition, and costs not directly related to the planning and permit processing of the project. $10,000 to $150,000 per loan is available.

The Agency plans to continue to provide these loan programs with a particular focus on properties fronting the Kings Beach Commercial Core Improvement Project.

Partnering for New Development

To enhance the economic viability of the Project Area and eliminate blighting influences, the Agency will continue to assist in land assembly, contaminated site clean up, building demolition and abatement, site clearing, infrastructure financing and project gap financing for new development proposals. The Agency continues to collaborate with commercial property owners and business owners and will continue to pursue opportunities to remove blight and assist the

development, expansion and improvement of commercial and mixed use properties in Tahoe City, Kings Beach, Tahoe Vista, Lake Forest and Stateline. The following areas of focus have been identified under this program:

Community Enhancement Program (CEP)
CEP projects incorporate many new planning concepts, such as mixed use, smart growth and infill development. During the TRPA Regional Plan update process studies were undertaken to examine the direction and focus of potential redevelopment efforts. Extensive community outreach was pursued which resulted in a prioritization of next action steps. This effort was basin wide, and Placer County stakeholders determined that Kings Beach should be its primary target area.

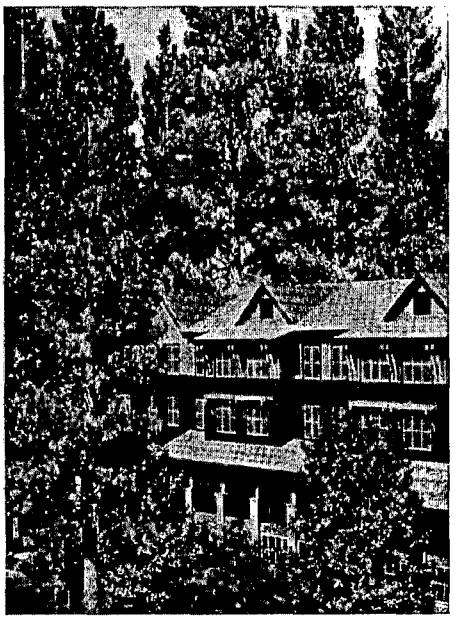
As a result, the CEP Program was launched by TRPA to identify pilot projects supporting the CEP principles and developers were sought and encouraged to submit proposals for developing innovative new projects. Several CEP pilot projects were proposed in 2008. TRPA approved five of these projects proposed within the Project Area boundaries. In 2011 four of these projects remain active - Kings Beach Scattered Sites Affordable Housing Project, Ferrari Family Resort, BB, LLC Kings Beach Town Center and the Pastore – Ryan Project.

- Kings Beach Scattered Sites Housing Project
  This project is the construction of 77 affordable housing units in Kings Beach. It includes 5 separate sites, with a total acreage of 3.38 acres. There are two sites, on Brook Avenue and Trout Avenue that were acquired vacant and will be all new construction. The rest were sites that were previously occupied with old deteriorated motels and substandard rental units that were demolished and hazardous materials remediated and the units will be replaced with all new construction.

  The residents formerly occupying the rental units to be redeveloped were permanently relocated, with assistance from the Agency. Relocation was carried out according to all Federal and State Relocation laws and a Relocation Plan approved by the Agency Board. Income eligible households relocated from the sites will be able to apply for occupancy in the new project, with preference given, in accordance with California Redevelopment Law.

  The project will provide substantial enhancements and benefits to both the residents and overall community, including recreation and resident service rooms, on site laundries, playgrounds, on site professional management, tenant social services, energy efficient design and substantial infrastructure improvements. The project is fully funded and planned for completion and occupancy by the summer of 2012.

Figure 24: Rendering of Domus KBHA Chipmunk Street Site

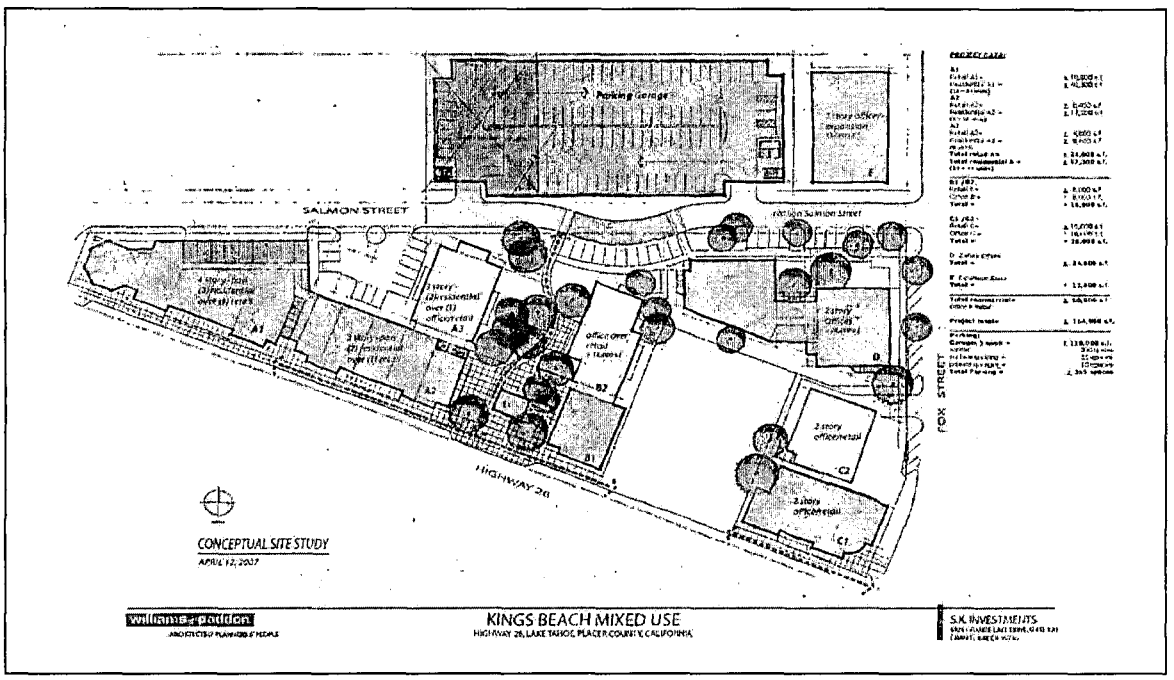


The Agency has made land and permanent loans totaling $7,900,000 of Redevelopment Housing Tax Increment and Redevelopment Housing Bond Funds. The Agency and the County were awarded $5,300,000 of state and federal funds to loan to the project. Domus (KBHA) has obtained an additional $19,000,000 in private equity and loans to complete the financing for this project. This represents a leverage of $3 for every $1 of Agency funds.

- BB, LLC Kings Beach Town Center Project
  From 2006 to 2008 BB, LLC acquired approximately four acres of commercial property in the center of Kings Beach and began work on a proposed mixed use project to establish a 'Kings Beach Town Center'. The project proposes to include offices, commercial shops, restaurants, housing units including affordable workforce units, a parking structure, public plazas, streetscape and infrastructure improvements and an enhanced bus shelter. The Agency has entered into an Exclusive Negotiating Rights Agreement and a Pre-development Loan Agreement with BB, LLC and has also assisted the project by holding the Agency-owned parcel on Salmon Avenue for eventual inclusion in the project. In 2010, the Agency acquired all mortgage loans secured by the project site property for approximately $4.3 million. The project is designated as a CEP by TRPA. In 2011 the project began its Environmental Impact Statement/Environmental Impact Report and is targeted to begin construction in 2013.

- Ferrari Family Resort Mixed Use Project
  The Ferrari family owns and operates a lakeside motel, rental cabins and commercial buildings fronting on Highway 28, east of Secline Street in Kings Beach. They propose to substantially rehabilitate or remove old and obsolescent buildings and develop a mixed use project to include new lodging, restaurants, commercial uses, residential units including affordable workforce units, improved lake access, other public areas, infrastructure improvements and a parking structure. The project concept received CEP designation by TRPA and it is continuing through planning and design refinement.

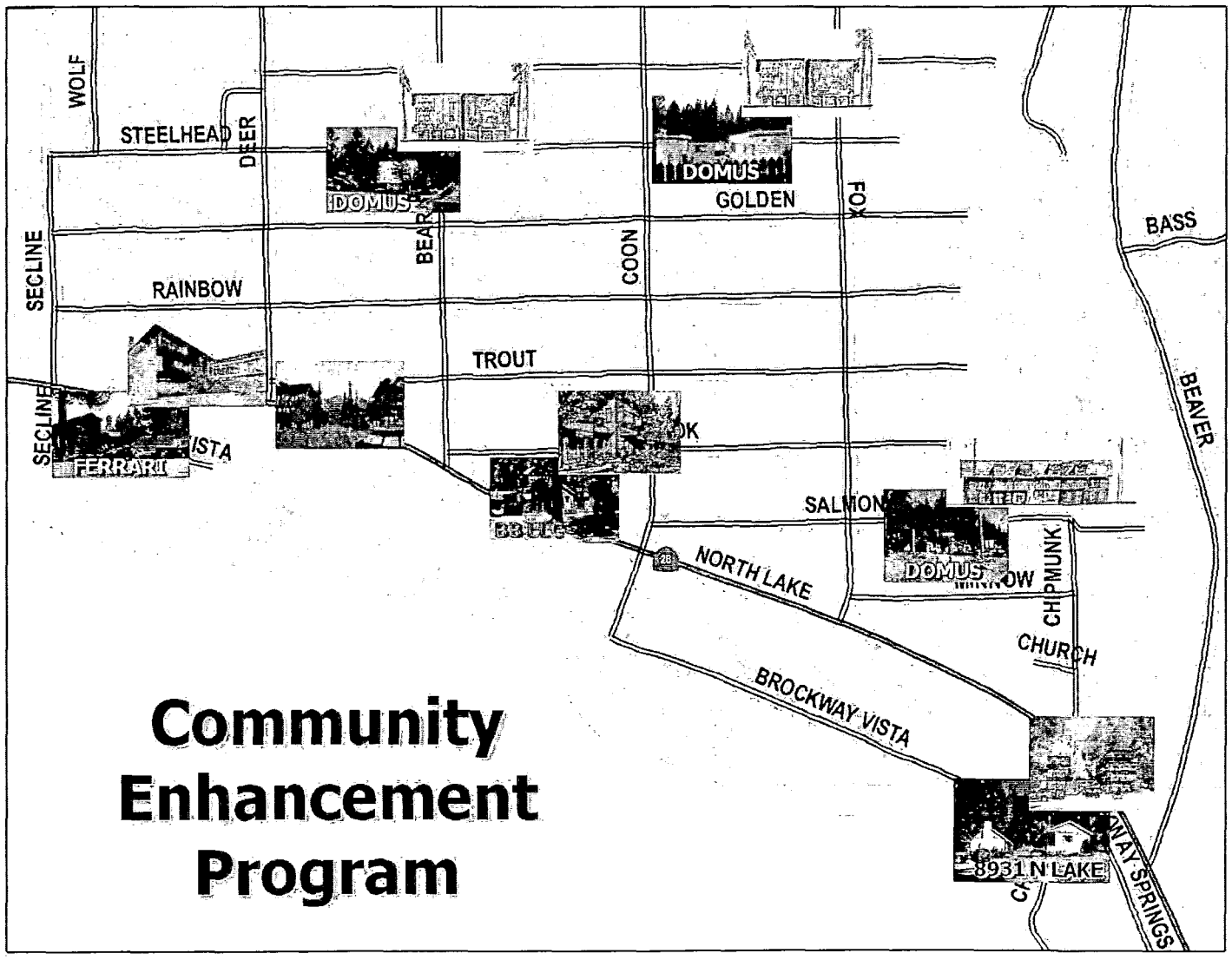
Figure 25: Conceptual Site plan of BB, LLC Kings Beach Town Center Project



- Pastore – Ryan is an old motel converted to commercial office space. The property is planned to be remodeled to accommodate existing commercial uses in Phase 1. The proposed Phase 2 would expand existing buildings, add residential uses and install other site improvements, at 8931 N. Lake Blvd. in Kings Beach.

- Innovative Infill and Refill Models
  In addition, the Agency anticipates entering into other Owner Participation Agreements or Disposition and Development Agreements with private parties for projects that are structured to meet redevelopment goals for the area and provide for model developments intended to stimulate additional community investment. The Agency will respond to redevelopment opportunities as they arise and strategically invest Agency resources to assist projects determined to provide significant community enhancement and support redevelopment goals.

Figure 26: Kings Beach CEP Projects



SUMMARY
COMMERCIAL DEVELOPMENT AND PUBLIC INFRASTRUCTURE IMPROVEMENTS

Over the next five years the Agency will address six major program areas: Infrastructure Improvement, Parking, Community Planning, Commercial Improvements, New Development, and Public Facilities. The following table indicates which redevelopment plan goals areas will be addressed with each program.

Figure 27:
Commercial & Infrastructure Programs Goals Implementation Table

Program	Eliminate Blight	Improve the Environment	Stimulate Redevelopment	Improve Public Infrastructure
Infrastructure Improvement	√	√	√	√
Planning	√	√	√	√
Commercial Improvements	√	√	√	√
New Development	√	√	√	√
Public Facilities	√	√	√	√

Redevelopment Law requires that the Implementation Plan contain an explanation of how the Plan Area goals and program objectives will eliminate blight within the Project Area. Health and Safety Code, Sections 33030 and 33031 define areas of blight in two categories: physical and economic. Planned activities for commercial development, commercial improvements, public facilities and public infrastructure improvements will address the following blighting conditions[i]:

- Adverse environmental conditions
- Deficient, deteriorated, and damaged public improvements
- Blighted commercial buildings and properties
- Economic impediments to commercial area investment and improvements
- Traffic and pedestrian hazards
- Criminal activity and
- Poor housing conditions for low and moderate-income families and individuals.

Financing the proposed work plan assumes that the Agency will take full advantage of the leveraging of its tax increment receipts with the bonds issued in 2006, as well as utilizing cash balances on hand to fund projects. The Agency will continue to leverage State and Federal grants and loans, pursue private lender financing, property owner contributions, developer contributions and contributions from the County and other public agencies. In addition, the Agency plans to continue its current policy of spending tax increment dollars as they become available (pay-as-you-go). Opportunities for future bonding are subject to annual increases in tax increment revenues.

HOUSING PROGRAM THE NEXT FIVE YEARS

During the next five years, the Agency will continue its focus on undertaking housing activities that improve and increase the supply of affordable housing within the North Lake Tahoe Project Area as follows:

Creating New Low and Moderate Income Housing

The Agency plans to continue to promote new low and moderate income housing construction and to work with developers by providing gap financing and other assistance to construct new affordable rental or ownership projects, rehabilitating or reconstructing existing developments, and preserving existing affordable units that are otherwise threatened. Due to the high demand for lower paying service and tourism related jobs in the Lake Tahoe region, the Agency's goal is to use this program to address the substantial need for employee housing. The Agency may also participate in land acquisition, land-cost write-down, developer recruitment, and credit enhancements or other financing mechanisms in support of affordable housing projects. The Agency will continue to support and oversee the construction of the Kings Beach Scattered Sites Housing Project, which is scheduled to be completed in phases in 2011 and 2012.

Maintaining Affordable Housing

The Agency's housing rehabilitation program provides low interest loans of up to $175,000 to correct health and safety hazards, increase energy conservation, and extend the useful life of an owner-occupied home. Examples of funded improvements include correcting plumbing, electrical, or roof problems, room additions, insulation, and replacing inefficient appliances. This Program extends the useful life of the affordable units occupied by low and moderate-income households and improves the quality of the neighborhoods. The Agency will continue to leverage its own funding with outside grants for this program, which is funded primarily from Federal Community Development Block Grants (CDBG), HOME, and Neighborhood Stabilization Program (NSP) funds.

Partnering for Mixed-Use Development

The Agency will assist in the development of mixed-use projects to create affordable housing opportunities. The Agency will respond to all viable opportunities to support affordable housing that become available. The following are planned activities:

Chapter 15 Catalyst Projects
The Agency is investing resources toward the adoption of a redevelopment plan under TRPA's Code of Ordinances, Chapter 15. As part of this process, the Agency anticipates assisting mixed–use development projects, which support affordable housing opportunities in the Project Area.

BB, LLC Kings Beach Town Center Project
A transit oriented, mixed use concept, more fully described on page 40.

Ferrari Family Resort
This lakeside motel in Kings Beach will be rehabilitated and expanded into a mixed use facility, more fully described on page 41

Providing Developer Incentives for Low and Moderate Income Housing Production

The Agency will continue to offer developer incentives for the provision of low and moderate-income housing. This program includes technical assistance, planning, studies, environmental review, financing of environmental costs, and grant application assistance.

Overseeing County Employee Housing Requirements

The Agency continues to assist the County's Planning Department with housing expertise. The Agency will assist with administration and monitoring of the inclusionary and employee-housing and Density Bonus programs.

Supporting Homeownership

The First Time Homebuyer program currently makes loans available to low and moderate income homebuyers up to $150,000 in order to purchase a home. These loans act as assistance financing to make mortgage payments more affordable. Single family detached homes, town homes, and condominiums are eligible purchases under this program. High home prices and the second home market have made this program difficult to implement in the North Tahoe area. With the recent decline in the housing market, for sale prices have declined and this program may become more viable in the Tahoe area.

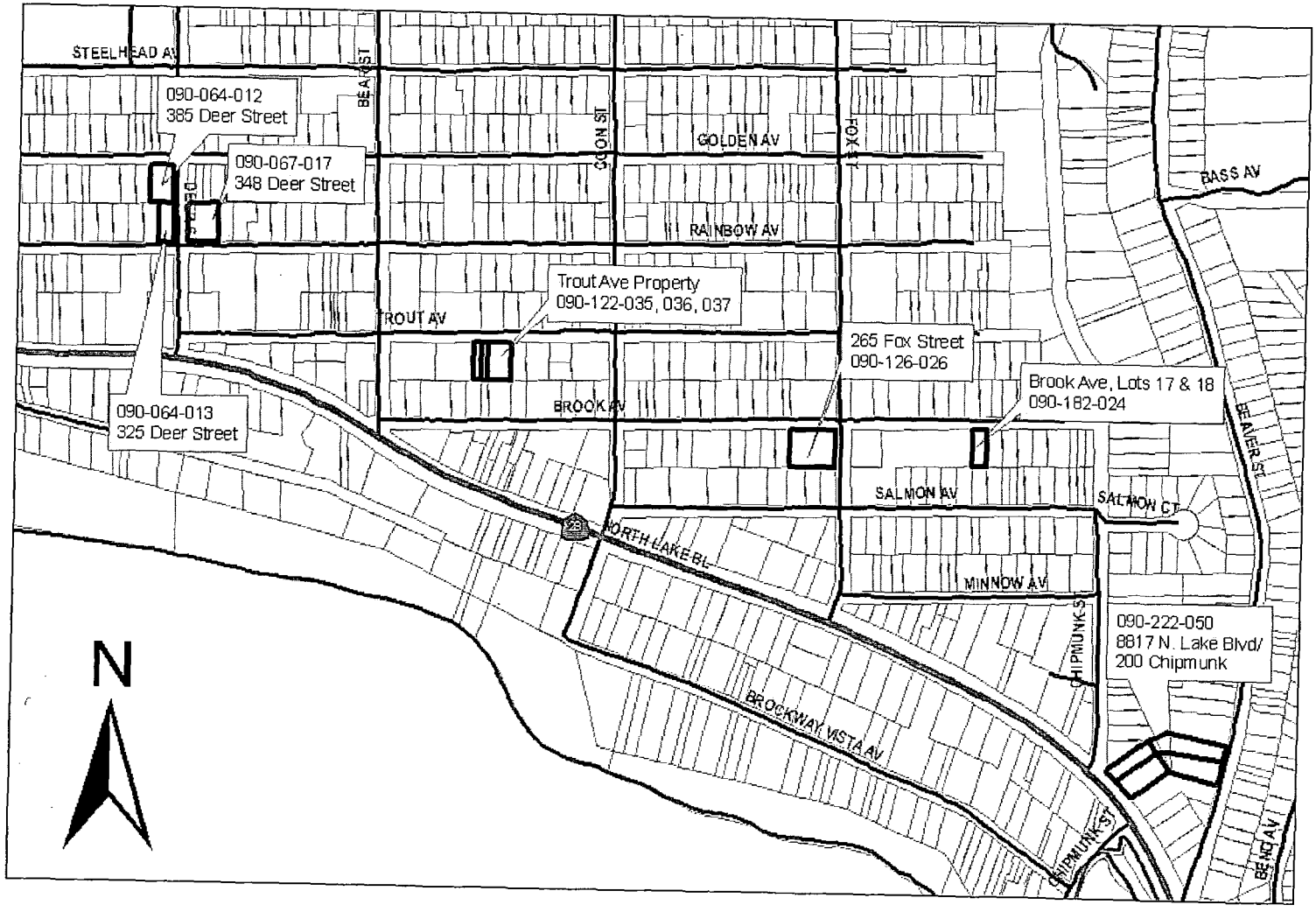
Agency staff administers the CDBG Neighborhood Stabilization Program (NSP), which acquires bank-owned homes rehabilitates them for resale to low and moderate households. The County's NSP assisted the purchase of one home in the Project Area in 2011 and that home will be rehabilitated and made available for sale at an affordable cost to a low or moderate income buyer. The Agency and County will continue to target the Project Area for implementation of the NSP.

SUMMARY HOUSING PROGRAM

The six key elements of the Housing Program are: Homeownership, New Construction, Housing Rehabilitation, Mixed Use Development, Developer Incentives, and Affordable Housing Administration and Monitoring.

The Agency will leverage its tax increment receipts, as well as utilizing cash balances on hand and leveraging outside public and private loans, grants and contributions to fund projects and programs. The Agency will also continue its current policy of spending tax increment dollars as they become available (pay-as-you-go). Under the Pay–As–You-Go strategy, it is estimated that an additional $6,929,000 of housing set aside funds will be available for housing projects over the next five years.

Figure 28



Kings Beach
Scattered Sites Housing Project

TEN YEAR HOUSING PLAN

Health and Safety Code Section 33490 requires a Redevelopment Project Area Implementation Plan to include a housing plan that addresses these issues: Targeted Income Housing Expenditures, Production Plan Requirements, and Replacement Housing Requirements. Unlike the Implementation Plan requirements, which cover a five-year period, a housing plan is required to cover a period of ten years.

Targeted Income Housing Expenditures

The North Lake Tahoe Project Area housing fund cash balance as of July 1, 2010 was $5,702,000, with most of these funds encumbered for completion of the Kings Beach Scattered Sites housing project. Over the next five years, approximately $6,929,000 in additional housing set aside funds is estimated for use in the production of affordable units, for a total of $12,631,000 for existing and new projects over the Implementation Plan period. Future housing fund monies will largely go toward increasing the supply of low and moderate income housing units within the Project Area pursuant to the Implementation Plan objectives. The Agency will continue to pursue outside sources to supplement Housing Set Aside funds.

Health and Safety Code Section 33334.4 requires that over the ten year period covered by implementation plans, the Agency spend from the Housing Set-Aside fund for low and very-low income persons and families, in at least the same proportion as the number of units needed, as determined within the community's adopted Housing Element. In addition, the Agency is to expend money for housing available to all persons regardless of age, in at least the same proportion as the population less than 65 years of age.

The County of Placer's regional housing needs as determined by the Sacramento Area Regional Council of Governments encompasses the entire unincorporated County's housing need and identifies the Lake Tahoe Basin in a separate category. The breakdown of targeted income expenditures for the Project Area shall follow the following percentages:

Figure 29
Targeted Income Expenditures Table

HOUSEHOLD TYPE	MINIMUM PERCENTAGE OF EXPENDITURES
Very Low	26.2%
Low	20.8%
Moderate	20.8%

From 2006-2011 the Agency expended funds on projects in the following categories:

Figure 30
Expenditures by Income – 2006- 2011

4-PERSON HOUSEHOLD	AMOUNT	PERCENT
Very Low	$5,609,000	71%
Low	$474,000	6%
Moderate	$1,817,000	23%
Total	$7,900,000	100%

The requirement to expend funds in proportion to the regional housing need was implemented through State Law effective January 2002. California allows a redevelopment agency to achieve compliance under this category by December 2014. The Agency shall continue to spend housing funds in proportion to the need in order to be in compliance with this law by December 2014, with an emphasis on assisting low income households.

According to the 2000 Census, unincorporated Placer County's total population was 147,674 and the senior population over 65 was 13,349. Consequently no less than 91% of the housing fund monies should be expended on projects assisting those under the age of 65. All housing fund monies during this period (2006-2011) were expended on the population less than 65 years of age.

Production Plan Requirements

Health and Safety Code Section 33413(b) indicates that redevelopment agencies must track inclusionary and production housing requirements which require at least 15% of all new and substantially rehabilitated dwelling units developed within the Project Area by public or private entities or persons other than a redevelopment agency shall be available at affordable housing cost and occupied by persons and families of low or moderate income. In addition, not less than 40 percent of these inclusionary dwelling units are required to be available at affordable housing cost to very low-income households and shall be occupied by these persons and families. Redevelopment inclusionary housing units require a 45 year or 55 year long-term affordability covenant be recorded against the property for either for sale or rental units, respectively.

Figure 31

BREAKDOWN OF AFFORDABILITY LEVELS		
Affordability Category	**Percent of Median Income**	**Maximum earnings for a family of four**
Very Low	31% - 50%	$32,050
Low	51% - 80%	$58,500
Moderate	81% - 110%	$87,720

Source: State of California, Housing and Community Development 2010 income limits.

The Agency estimated the total number of units constructed (for sale and rental) within the Project Area over the last five fiscal years utilizing available building permit data. These units were developed by entities other than the Agency. Based upon these figures, the following summarizes historical inclusionary production obligations.

Figure 32

FISCAL YEAR 2006 – 2011 PRODUCTION PLAN REQUIREMENTS					
	2006	**2007**	**2008**	**2009**	**2010**
Residential Units Produced	12	10	11	9	5
Affordable Unit Obligation (15%)	2	2	2	1	1
Very Low Unit Obligation	(1)	(1)	(1)	(0)	(0)

Note: due to rounding up requirements total percentages may vary

In the above table production obligations were calculated for each individual year in isolation and, in accordance with State reporting requirements, the obligation numbers were rounded up. As a result the numbers skew the aggregate obligations for the five year period. For the entire five year period an estimated 48 total housing units will be produced. The 15% affordable unit obligation is 7.2, which rounds up to 8 units. The 6% very low income affordable unit obligation is 2.88, which rounds up to 3.

In 2001, an Ordinance was adopted by the Placer County Board of Supervisors which indicated that residential developers of projects containing six or more residential units set aside 15% of the units they build as affordable to very low and moderate-income households as a condition of approval of the new housing units. This Ordinance links the Agency's affordable housing obligations with residential unit production within the Project Area and ensures long-term compliance with the Production Plan requirements.

No other funding sources were used by the Agency to construct affordable units with long term covenant restricted units (affordable units with covenants of at least 45 years for ownership housing or 55 years for rental housing) within the Project Area.

Affordable units produced as well as a projection of future affordable housing production requirements over the ten year housing plan and redevelopment plan life are estimated below.

Figure 33
Affordable Housing Units Produced/Needed Table

	TOTAL UNITS PRODUCED	AFFORDABLE HOUSING UNITS REQUIRED		AFFORDABLE HOUSING UNITS ACTUALLY PRODUCED		ADDITIONAL AFFORDABLE HOUSING UNITS REQUIRED		NET AFFORDABLE HOUSING UNITS PRODUCED	
		Total	Very Low	Total	Very Low	Total	Very Low	Total	Very Low
1996 - 2000	22/2	4	(1)	0	0	4	(1)	NA	NA
2001 -2005	48	9	(3)	0	0	15	(6)	NA	NA
2006 –2011	47	8	(3)	0	(0)	NA	(NA)	NA	NA
2012-2016 (projected)	99	15	(6)	83		0	0	83	19
Redevelopment Plan 1996-2027 (Projection)	260	39	16	83	19	NA	NA	83	19

Over the next ten years, several projects are slated for development, which shall satisfy the Agency's inclusionary production requirements over the five-year Plan and ten-year Housing Plan period.

- Several private projects are in the early stages of development within the Project Area that may lead to an inclusionary housing requirement. For example, over the ten year housing plan period, 100 units would trigger an obligation of 15 affordable units of which 6 shall be at the very low-income level.

If the Agency constructs and owns housing units, at least 30% of those units must be available at affordable housing cost to persons of low or moderate income. At least 50% of the 30% obligation is required to be available at affordable cost to persons and families of very – low income. No units were developed by the Agency acting as developer and therefore no obligation requiring 30% of the units to be produced as restricted affordable units was produced by the Redevelopment Agency.

Replacement Housing Requirements

The Kings Beach Scattered Site development has begun. With its completion, 77 new units of low income, including 54 units of very low income housing will become available. This project required 32 units of replacement housing. This includes units demolished from the Johnson and Ronning properties. These replacement units were made up with the Domus development. The Agency Board approved replacement housing plans before the Kings Beach Scattered Sites existing substandard units were demolished. The Agency is following those plans.

List of Sources

Reports, Books and Works Cited

Coomes, Joseph, Jr. "Adoption of Redevelopment Plans." *Redevelopment in California*. Fourth ed. Unknown: Solano Press Books, 2009. 83-85. Print.

Dean Runyan Associates, *The Economic Significance of Travel to the North Lake Tahoe Area - 1997-2002 Detailed Visitor Impact Estimates*. Portland, OR: Dean Runyan Associates, 2003. Print.

Design Workshop, Inc., *North Lake Tahoe Redevelopment Area Report of Recommended Policy, Code and Regulation Changes to Facilitate Redevelopment Opportunities.* Denver, CO. North Lake Tahoe Resort Association and Placer County Redevelopment Agency, 2005. Print

Economic & Planning Systems, *Economic Redevelopment Strategies for Kings Beach and Tahoe City, CA*. Sacramento, CA: Economics & Planning Systems, 0. Print.

Economic & Planning Systems, *Kings Beach Market Land Use Demand Study*. Economic & Planning Systems: Unknown, 0. Print.

Goldfarb and Lipman, *A Legal Guide to California Redevelopment*. Third ed. Oakland, CA: Goldfarb and Lipman, Attorneys, 2006. Print.

Kings Beach Housing Associates, *Kings Beach Residential Survey - Domus Development*. Sacramento, CA: Bay Area Economics, 2007. Print.

Placer County Redevelopment Agency, *Kings Beach Housing Condition Survey*. Auburn, CA: Placer County Redevelopment Agency, 2009. Print.

Placer County Redevelopment Agency, *North Lake Tahoe 5-Year Implementation Plan - 1996-2001*. Auburn, CA: Placer County Redevelopment Agency, 1996. Print.

Placer County Redevelopment Agency, *North Lake Tahoe 5-Year Implementation Plan -2001-2006*. 2001 ed. Auburn, CA: Placer County Redevelopment Agency, 2001. Print.

Placer County Redevelopment Agency, *North Lake Tahoe 5-Year Implementation Plan - 2006-2011*. 2006 ed. Auburn, CA: Placer County Redevelopment Agency, 2006. Print.

Placer County Redevelopment Agency, *Preliminary Redevelopment Plan - Kings Beach, Stateline*. Auburn, CA: Placer County Redevelopment Agency, 0. Print.

Placer County Redevelopment Agency, *Preliminary Redevelopment Plan - Tahoe City*. Auburn, CA: Placer County Redevelopment Agency, 0. Print.

Placer County Redevelopment Agency, *Preliminary Redevelopment Plan - Tahoe Vista*. Auburn, CA: Placer County Redevelopment Agency, 0. Print.

U. S. Census (2010), *Race for Populations 18 Years and over in the Lake Tahoe Census County Division, Placer County, CA,* March 2011, American Fact Finder

MLA formatting by BibMe.org.