

Part 3 Socio-Economic Plan

Socio-economic conditions in the Plan area have been affected by the 1987 Regional Plan. The strict environmental protections have increased business operating costs and the cost of housing. The full-time population has declined and business activity has been shifting to communities outside the Lake Tahoe Region. The 2012 Regional Plan update and this Area Plan seek to achieve TRPA's Environmental Threshold Standards in a way that supports a healthy economy and social fabric. Promoting redevelopment and revitalization is a central strategy for environmental and socio-economic improvement.



Multi-Residential Housing

3.1 Population

Like many areas in the Lake Tahoe Region, the Plan area has sustained a decline in its permanent population base for many years. The population within the Placer Tahoe Basin Area Plan was 9,716 as of April 2010 according to the 2010 U.S. Census, a 20 percent decline from the 2000 population of 12,158 (Table 3.1-A). The loss of population is in large part due to a declining regional economy and a dramatic increase in residential home prices starting in 2001.

Table 3.1-A: Population Trends in the Area Plan

<i>Community</i>	<i>2000</i>	<i>2010</i>	<i>% Change</i>
	<i>Population</i>	<i>Population</i>	
Dollar Point	1,539	1,215	-21.1%
Kings Beach	4,037	3,796	-6.0%
Sunnyside	1,761	1,557	-11.6%
Tahoe Vista	1,668	1,433	-14.1
Carnelian Bay	n/a	524	n/a
Tahoma	n/a	1,191	n/a
Remainder	3,153	n/a	n/a
Total	12,158	9,716	-20.1%

Source: 2000/2010 U.S. Census

Race and ethnicity in the Plan area is dominated by White and Hispanic or Latino people, which together account for 97.1 percent of the population (Table 3.1-B). Age demographics reveal a large population of young adults, especially in the 25-29 year category, with significantly fewer children than typical communities. Understanding population trends by age group (Table 3.1-C) can help allocate resources for public infrastructure and services to meet the needs of the population.

Table 3.1-B: Race and Ethnicity in the Area Plan

<i>Community</i>	<i>White</i>	<i>Hispanic or Latino</i>	<i>American Indian</i>	<i>Asian</i>	<i>Black or African American</i>	<i>Other</i>
Dollar Point	1,090	83	6	19	4	13
Kings Beach	1,620	2115	13	14	3	31
Sunnyside/Tahoe City	1,431	84	2	15	3	22
Tahoe Vista	1,025	352	5	21	3	27
Carnelian Bay	482	13	4	14	1	10
Tahoma	1,090	51	10	14	6	20
Total	6,738	2,698	40	97	20	123
Percent	69.3%	27.8%	.4%	1.0%	.2%	1.3%

Source: 2010 U.S. Census

Table 3.1-C: Population by Age in the Area Plan

<i>Cohort</i>	<i>Total</i>	<i>Percent</i>
Under 5 years	554	5.7%
5 to 9 years	549	5.7%
10 to 14 years	443	4.6%
15 to 19 years	451	4.6%
20 to 24 years	717	7.4%
25 to 29 years	949	9.8%
30 to 34 years	766	7.9%
35 to 39 years	721	7.4%
40 to 44 years	733	7.5%
45 to 49 years	700	7.2%
50 to 54 years	756	7.8%
55 to 59 years	775	8.0%
60 to 64 years	657	6.8%
65 to 69 years	396	4.1%
70 to 74 years	218	2.2%
75 to 79 years	164	1.7%
80 to 84 years	101	1.0%
85 years and over	66	.7%
Total	9,716	

Source: 2010 U.S. Census

3.2 Housing

ABSENTEE OWNERSHIP

While the permanent population in the Area Plan is in decline, demand from high-income second-homeowners from the Bay Area and elsewhere remains strong. There is a significant number of “absentee” home owners in the North Lake Tahoe area, who live elsewhere but own homes in North Lake Tahoe for occasional use, generally recreation and vacation purposes. As shown in Table 3.2-A, of the 4,114 occupied housing units, 2,245 (54.6 percent) are owner-occupied while the remaining 1,869 (45.4 percent) are renter-occupied.

More than fifty percent of North Lake Tahoe residences are used on a seasonal, recreational, or occasional basis. The North Lake Tahoe area is characterized by a high proportion of absentee property owners. Table 3.2-B shows the percentage of absentee ownership among various communities in the North Lake Tahoe area. Kings Beach and Tahoe Vista show the lowest rates of absentee ownership at 34 percent and 50.8 percent, respectively. Dollar Point, Carnelian Bay, and Tahoma have absentee ownership rates of over 60 percent.

Table 3.2-A: Housing Units and Occupancy

<i>Community</i>	<i>Total Units</i>	<i>Occupied</i>	<i>Vacant</i>	<i>Owner-Occupied</i>	<i>Renter-Occupied</i>
Carnelian Bay	947	256	691	171	85
Dollar Point	1,822	571	1,251	363	208
Kings Beach	2,372	1,362	1,010	552	810
Sunnyside/Tahoe City	2,119	744	1,375	402	342
Tahoe Vista	1,446	628	818	398	230
Tahoma	2,058	553	1,505	359	194
Total	10,764	4,114	6,650	2,245	1,869

Source: 2010 U.S. Census

Table 3.2-B: Seasonal Housing Units

<i>Community</i>	<i>Vacant Units Used for Seasonal Use</i>	<i>Percent of All Housing Units</i>
Carnelian Bay	654	69.1%
Dollar Point	1178	64.7%
Kings Beach	807	34.0%
Sunnyside/Tahoe City	1239	58.5%
Tahoe Vista	735	50.8%
Tahoma	1428	69.4%
Total	6041	56.1

Source: 2010 U.S. Census

HOUSING AFFORDABILITY

Overall, there is a shortage of quality housing at prices reflecting median income levels in the Plan area. This Area Plan seeks to correct this problem by encouraging a diverse range of quality housing, including housing for low and moderate income employees that are critical to local businesses.

The availability of affordable and moderately priced residential real estate is inadequate to serve the basin's workforce. Table 3.2-C shows the median household income of various communities in the Plan area and the corresponding housing price that these households could reasonably afford based on industry metrics.

As shown in Table 3.2-C, Plan area households demonstrated a wide variety of median income levels from a low of \$38,026 in Kings Beach to a high of \$69,865 in Tahoe Vista in 2013. By comparison, Placer County had a median household income of \$72,725 while the State's median household income was \$61,094. The Plan area offers a range of housing options, from low-quality aged cabins, apartments, and motel properties being used as low-income housing, to high-end luxury residences, condominiums, and fractional-ownership properties.



New Housing in Kings Beach

Table 3.2-C: Median 2013 Household Income

<i>Community</i>	<i>Median Household Income</i>
Carnelian Bay	\$62,361
Dollar Point	\$67,629
Kings Beach	\$38,026
Sunnyside/Tahoe City	\$64,091
Tahoe Vista	\$69,865
Tahoma	\$51,750
Placer County	\$72,725
California	\$61,094

Source: U.S. Census Bureau, 2013 American Community Survey

As shown on Table 3.2-D, each community in the Area Plan has a higher median housing value than the County median of \$342,000.

As shown in Table 3.2-E, the home prices that are considered affordable range from approximately \$163,047 to \$256,206. There are very few properties available at this price, and most properties on the market are significantly more expensive. Because quality, affordable housing options are limited, many local workers choose to live in communities outside the Lake Tahoe Basin, such as Truckee or Reno. This Area Plan includes policies to pursue additional housing options, including expanded opportunities for secondary dwelling units, mixed-use housing within Centers, and affordable housing projects.

Table 3.2-D: Median 2013 Housing Unit Value

<i>Community</i>	<i>Median Housing Unit Value (owner-occupied)</i>
Carnelian Bay	\$491,100
Dollar Point	\$468,200
Kings Beach	\$348,300
Sunnyside/Tahoe City	\$596,100
Tahoe Vista	\$519,300
Tahoma	\$539,100
Placer County	\$342,000
California	\$366,400

Source: U.S. Census Bureau, 2013 American Community Survey

Table 3.2-E: Housing Affordability, 2013

<i>Community</i>	<i>Median Household Income</i>	<i>Affordable Home Based on Income ¹</i>	<i>Median Housing Unit Value</i>
Carnelian Bay	\$62,361	\$235,092	\$491,100
Dollar Point	\$67,629	\$246,162	\$468,200
Kings Beach	\$38,026	\$163,047	\$348,300
Sunnyside/Tahoe City	\$64,091	\$215,373	\$596,100
Tahoe Vista	\$69,865	\$256,206	\$519,300
Tahoma	\$51,750	\$233,169	\$539,100
Placer County	\$72,725	\$274,884	\$342,000
California	\$61,094	\$256,224	\$366,400

¹ Estimate based on four-times annual income. Source: U.S. Census Bureau 2010 Census and 2013 American Community Survey

3.3 Employment and Commute Patterns

The Lake Tahoe Region has experienced substantial losses in the number of jobs. In 2001, the Tahoe Region supported approximately 28,000 employees. By 2009, this number had dwindled to 22,300, a decline of more than 20 percent. Job losses occurred in many sectors of the economy. This loss in employment is linked with a reduced full-time population.



Homewood

The geographic distribution of jobs is also a challenge. Table 3.3 compares the number of employed residents and employees in Kings Beach and Tahoe City. Kings Beach has far more employed residents than it does employment opportunities, signifying that Kings Beach residents travel to other areas to work. Tahoe City on the other hand is an employment hub that attracts workers who live in other areas throughout the Region.

Table 3.3: Commute Patterns in King Beach and Tahoe City

	<i>2002</i>	<i>2011</i>
Kings Beach		
Employed in Selection Area	458	409
Living in Selection Area	637	1,477
Net Job Inflow (Outflow)	(179)	(1,068)
Living and Employed in Selection Area	13%	5%
Living in Selection Area but Employed Outside	87%	95%
Tahoe City		
Employed in Selection Area	1,066	1,461
Living in Selection Area	335	547
Net Job Inflow (Outflow)	731	914
Living and Employed in Selection Area	10%	21%
Living in Selection Area but Employed Outside	90%	80%
<i>Source: Economic & Planning Systems, Inc., 2014</i>		

In 2011, only five percent of employed Kings Beach residents actually worked in Kings Beach, which was down from 13 percent in 2002. Tahoe City exhibits a slightly better balance, although only 21 percent of Tahoe City's employed residents lived and worked in Tahoe City in 2011.

In 2010, approximately 87 percent of jobs on the north shore were filled by workers from outside the Region and it is estimated that approximately 49 percent of workers throughout the Tahoe Basin commute 50 miles or more to work. On a typical workday, approximately 11,880 workers commute into the Region and approximately 9,980 residents commute out of the Region to work. This commute pattern contributes to negative air quality impacts. This Area Plan seeks to address this issue by facilitating job growth associated with redevelopment in Town Centers and by providing additional housing options for the Region's workforce.

3.4 Project Feasibility

The ability of property owners to feasibly improve non-residential property has been a major barrier to improving conditions in the Plan area. One of the key outcomes of the 2012 Regional Plan Update was the "pairing of ecosystem restoration with redevelopment activities to promote mixed-use Town Centers where people can live, work, and thrive." The Town Centers have also been identified as areas in need of improvement to reduce stormwater runoff and improve scenic quality.

Town Centers are targeted for redevelopment in a manner that improves environmental conditions, creates a more efficient, sustainable and less auto-dependent land use pattern, and provides for economic opportunities. Therefore, the Regional Plan allows for some code changes within Town Centers including increased density, height, transfer ratios from sensitive lands, and reduced parking requirements if those code changes are coupled with additional investment in environmental improvements.

In early 2015, Economic & Planning Systems, Inc. completed study of potential economic development incentives for North Lake Tahoe Town Centers. The study identified a number of regulatory and procedural barriers to redevelopment and job creation. The study concluded that despite recent improvements to regional regulations and economic improvements, redevelopment projects are likely to remain infeasible without additional regulatory reforms and governmental assistance.

One of the key findings of the study was that development risk in North Lake Tahoe is too high relative to potential return. These high costs include land, holding costs related to the complex regulatory approval process, acquisition of TRPA-required commodities such as Tourist Accommodation Units, Commercial Floor Area and Coverage, up-front fees, infrastructure costs such as parking, environmental improvements, and generally higher construction costs in the Region.

The study also recommended efforts to streamline the permitting process, implement Regional Plan redevelopment incentives, pursue additional Regional Plan amendments, allow for off-site and shared parking facilities and related funding mechanisms, and secure tourist

accommodation units to facilitate new lodging projects in Tahoe City and Kings Beach. The complete study is available for reference as Appendix C.

3.5 Socio-Economic Policies

- SE-P-1 The planning and permitting process should be streamlined to the maximum feasible extent.
- SE-P-2 Consistent with the Regional Plan, Town Centers are the preferred locations for economic development incentives and projects.
- SE-P-3 Opportunities for economic development outside Town Centers should be pursued in a manner consistent with the Regional Plan.
- SE-P-4 Whenever feasible, Placer County should provide assistance to property owners seeking to complete projects on priority redevelopment sites through public-private partnerships and other forms of assistance.
- SE-P-5 Placer County supports efforts to promote environmental redevelopment in mixed use areas within and outside Town Centers, including the Village Centers identified in this Area Plan.
- SE-P-6 Continued efforts to address the existing job-housing imbalance and provide additional housing at affordable price levels should be pursued.

Socio-economic projects are described in the Implementation Plan. Regulations are outlined in the Area Plan Implementing Regulations.

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