

**PLACER COUNTY**  
**REDEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Honorable Members of the Redevelopment Agency Board  
**FROM:** Rich Colwell, Chief Assistant CEO-Redevelopment Director *RS Colwell*  
**DATE:** July 23, 2007  
**SUBJECT:** Report Summary on the Economic and Redevelopment Strategies for Kings Beach and Tahoe City, a Study Prepared by Economic Planning Systems on Behalf of the Redevelopment Agency.

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**ACTION REQUESTED**

Report Summary on the Economic and Redevelopment Strategies for Kings Beach and Tahoe City, a Study prepared by Economic Planning Systems (EPS) on behalf of the Redevelopment Agency (Agency).

**BACKGROUND**

In Spring 2005, your Board approved a contract with Design Workshop to research a selection of redevelopment locations in Tahoe City and Kings Beach for redevelopment opportunities. Design Workshop was to also identify those codes and policy changes needed to facilitate the planning, design and implementation of redevelopment in North Lake Tahoe. Its study, Report of Recommended Policy, Code and Regulation Changes to Facilitate Redevelopment Opportunities, was issued in December 2005. Five locations were studied, two in Tahoe City and three in Kings Beach. Additionally, Design Workshop identified the need for redevelopment incentives to be included in the Tahoe Regional Planning Agency (TRPA) Pathway 2007 Regional Plan update and recommended that a land use market demand study be conducted to specifically identify targeted economic activities.

In December 2005, the County entered into a Memorandum of Agreement with TRPA that acknowledged among other mutual policy areas (biomass), a demonstration program that would assist in guiding the code changes in the Regional Plan. The County committed to providing Planning Department staff and Agency funds to work with TRPA on updating the Regional Plan in exchange for TRPA designing and implementing a demonstration program. As a result of many community workshops and presentations, it was decided by the community through the TRPA team that Kings Beach should have the highest priority for revitalization.

In 2006, the Agency contracted with EPS to take the Design Workshop study to the next level, and to specifically analyze and recommend for Tahoe City and Kings Beach the economic, social and regulatory policies and programs needed to include in a viable demonstration program. EPS, before conducting subject area research, initiated its work with numerous stakeholder interviews and solicitation of community feedback resulting in two community presentations. Agency staff worked closely with EPS to provide information and input into the report. The final analysis by

EPS has resulted in the comprehensive Economic & Redevelopment Strategies for Kings Beach and Tahoe City. What follows is a summary of the key findings of the report.

### **KEY FINDINGS**

- The entire Lake Tahoe basin is in the midst of economic, environmental and social assessment.
- Economic vitality of communities is compromised by patterns of land use changes, deterioration of properties, and retail activities being diverted to “all-inclusive” resorts
- North Tahoe region has inadequate visitor accommodations/conference facilities, a dysfunctional housing market, and suffers from economic stagnation and a sprawling, unattractive land use pattern
- A comprehensive, consistently applied County and regional regulatory process will be necessary to attract investment in housing and community infrastructure
- Existing dilapidated structures, serving as workforce housing, need to be replaced with decent housing units with increased density and coverage allowances which should lead to the eventual net increase in units available for workers
- The TRPA, County and community will need to revise the Kings Beach and Tahoe City community plans to reflect new regional planning policies and local aspirations
- The economic engine for the redevelopment area is tourism. Yet visitor accommodations in Kings Beach and Tahoe City are woefully inadequate, prohibiting the realization of community wealth that should materialize to the benefit of the local community. There are approximately 250 rooms in each community, with an average age of 45 years
- Granting regulatory approval for certain mixed use developments including market rate housing could create an economic engine for the development of affordable units in the community. Mixed use projects create vibrant, walkable communities
- Successful redevelopment in both communities is dependent upon a coordinated and streamlined development application review that emphasizes mixed use development in appropriate locations, and balances density and environmental concerns
- Improved coordination and communication among regulatory jurisdictions are imperative to the redevelopment process

The study has already been put to use. Agency staff has worked with potential developers using the EPS findings and recommendations to frame future development concepts. Developers have used previously released sections of the study to confirm the financial feasibility of their specific development concepts with banking institutions. The report is also consistent with the thinking and direction from the Placer County Place Based Planning Working Group.

Attached is the full report. The study is also available for public review and downloading on the Agency’s web page. It is anticipated that Agency staff will be providing the study to the various community groups in the Tahoe.

**FISCAL IMPACT**

This is an administrative report for information only. There is no impact to the County General Fund or the Agency budget.

Attachment: Study - Economic & Redevelopment Strategies for Kings Beach and Tahoe City - Available for review at the Clerk of the Board.

cc: Karin Schwab, Agency Counsel

