

# KMS sold – affordable housing to replace school

By Kathryn Reed

More than 500 affordable housing units could begin to be built on the South Shore in 2017.

Patrick Taylor of Cave Rock is in escrow to buy the former Kingsbury Middle School and Wells Fargo Bank properties, both of which are in Stateline.

“Everyone who has lived here a long time knows there is a lack of affordable housing,” Taylor told *Lake Tahoe News*. “Our goal is to help the community grow in the right way and provide housing opportunities for the workforce that is affordable.”



Where Kingsbury Middle School sits today affordable housing may rise. Photo/LTN

The school site has been sitting empty since students left at the end of the 2007-08 school year. The Douglas County School District board in January 2012 voted to put it on the market for \$4 million. When there was first talk of consolidating the

lake schools the superintendent at the time said the 22-plus acre site with 36,000-square-feet of space could fetch \$9.5 million.

Taylor, through his company Lake Parkway, is buying it for \$3.25 million. This includes paying half the utilities – \$25,000 – for the next year. The board this month granted him a 12-month escrow so he could get everything together – including converting the land use designation, getting financing, and permits.

“A change from school use to housing is dependent on the Tahoe Douglas Area Plan being accepted and adopted by the Tahoe Regional Planning Agency. I hope to bring the plan, which has already been approved by our board, to TRPA in the next month,” Mimi Moss, director of Douglas County Community Development, told *Lake Tahoe News*.

Affordable housing is in such short supply that South Lake Tahoe might dedicate one-half cent of future sales tax collections to housing. The council in November will be asking voters to approve raising the tax, with a second question seeking input as to where to spend the new revenue. Housing will be one option.



The Stateline Wells Fargo could

become a mixed use commercial-residential development. Photo/LTN

As this week's council meeting the electeds also agreed to enter into a \$71,500 contract with Michael Baker International to develop a socio-economic impact study regarding vacation home rentals. The electeds want the firm to make it a broader study and not be just about VHRs.

Councilman Tom Davis is hoping the report will actually define what affordable housing is beyond the legal definition.

"This is way bigger than affordable housing. It is all housing. People in all income groups are having trouble renting in South Lake Tahoe and the whole South Shore," Councilman Austin Sass said.

Employers are having a difficult time hiring people in positions across the spectrum because of the limited and expensive housing stock. Heavenly now has work for people year-round, and Edgewood Lodge could employ 300. Those are just some of the new jobs, let alone the added workforce since the economy has turned around.

For Taylor, he expects the old bank location to be developed first; possibly in 2017. The number of units will range from 56 to 151 depending on if an outside partner is brought in.

He plans to keep the drive-through lanes because they are grandfathered in and no new ones can be added per a TRPA rule. The bottom level will be commercial.

"I'm in negotiations with In and Out Burger, but have not finalized anything," Taylor said. He would like another lane for a coffee chain, and the other for a pharmacy.

He said nine-stories is allowed there, but he intends to build seven.

“If there are only 56 units, they will probably be all three bedroom, 3.5 baths so that way multiple tenants or generations of family can live there. It is designed for workforce housing,” Taylor said.

All will be deed restricted, with specific income requirements for people to be able to live at either development. These will be condos that people could buy or rent.

At the KMS property, Taylor intends to build a variety of floor plans that will include garages, though no more than three stories, with 412 units max. Construction won't begin until 2018 at the soonest.

A traffic study will contribute to how much actually gets built. Taylor anticipates a light going in at Lake Village Drive that would stop drivers heading east on Highway 50 as people turn out of the development.

Another future impact to that intersection will be **Sierra Colina**, which will have 13 single-family residences and 34 duplexes on the neighboring 18-acre site.

The buildings at KMS today will be demolished. It's possible law enforcement will use it as a training facility where things could be destroyed before the official razing begins.