

Opinion: Making progress on Tahoe housing

By Joanne Marchetta

Like many communities across the country, the Tahoe basin is facing an affordable housing crisis. The high cost to buy or rent a home is simply unaffordable for most Tahoe residents. It's a problem for people of many economic backgrounds, including middle-income teachers, nurses, police, and firefighters.

Mountain towns throughout the Western United States and our neighbors in the Bay Area and Reno are also struggling with affordable housing. Today at Tahoe there is unprecedented recognition of this problem and broad consensus that we must work together on solutions. Dozens of community partners are joining forces to address this issue on the North and South shores.



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This January, the newly-formed Mountain Housing Council, a coalition of 25 partners including local governments, utility districts, nonprofits, and other community stakeholders, as well as TRPA, provided an update on solutions forming to help ensure people have access to achievable local housing in the Tahoe-Truckee region.

The council is targeting construction of at least 300 new affordable housing units over three years, with 295 units either already approved and in progress or under construction. While this amount is far short of what's needed to solve Tahoe's housing crisis, meeting the milestone would mark a major step in the right direction and lay the groundwork for future progress.

The council is working to flesh out ideas for renovation programs to help ensure the region's existing affordable housing is in good repair, and for increasing the funding available for housing programs. It's also looking for ways to shift more of the second-homes owned by out-of-basin residents, which make up more than half of Tahoe's housing stock and are sitting empty for most of the year or being used as short-term vacation rentals, into longer-term rentals for Tahoe's workforce.

On the South Shore, the Tahoe Prosperity Center is working with public and private partners, including TRPA, on a pilot project to redevelop an old motel lodging site into local workforce housing. This would create not only new housing, but a working model that others could use to repurpose Tahoe's old buildings to provide much-needed housing. This is a collaborative opportunity to revitalize the region and improve its economy, environment, and community.

We must remember there is no silver bullet to fix Tahoe's complex housing problems, no one agency that can solve these problems on its own. But there is a dire need to continue to move forward together.

Incomes for Tahoe's workforce have not kept pace with rising housing prices. Studies find fewer than 20 percent of Tahoe residents earn enough money to afford the region's median housing price. That means we have significant headway to make to align Tahoe's median incomes and housing prices so residents can afford to live, work, and raise families here.

Land costs and construction costs are the largest barrier to building affordable housing. The vast public lands that we all enjoy at Tahoe protect the lake's environmental health and make this region a natural splendor, driving its recreation-based economy. But they also mean there is precious little land available for new housing, driving up the cost.

Together, land and construction costs account for almost 60 percent of the cost of building new housing at Tahoe. Permitting fees, utility hook-up fees, and the cost of development rights together account for about 10 percent of the total cost.

While permitting is a relatively small part of housing costs at Tahoe, TRPA and local governments are working to streamline the basin's permitting through a welcome mat initiative to make processes easier to understand and navigate.

TRPA is also working to revamp its development rights program. Potential changes on track to be considered later this year would make it easier for people to acquire and transfer development rights and convert them between commercial, tourist, and residential housing uses. Another proposed change would make some of TRPA's pool of residential development rights for low-income housing available for a broader range of incomes. That could help provide housing for the "missing middle," people who earn too much to qualify for low-income housing but too little to afford market rate housing.

A broad range of partners are working together like never before to relieve Tahoe's affordable housing shortage, but we have much more to do. Progress on Tahoe's housing problems will not come easily or quickly. But by continuing to work together to identify and implement creative solutions, we can and will gain ground on housing. That will benefit local families, the economy, and the environment, as more and more residents can live, work, and raise families at Tahoe, and fewer people are forced to drive into and out of the basin

each day to or from work to make ends meet.

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