

# Development rights in Tahoe get overhaul

By Adam Jensen

The Lake Tahoe Basin has a unique system of private property development rights established to protect this national treasure.

The development rights system began in the 1980s and is central to the Tahoe Regional Planning Agency's management of growth in the Lake Tahoe Basin. It is designed to ensure development will help achieve a wide range of environmental goals.

It has also become clear the system is not well understood or easy for investors and developers to use.

Development rights, formerly known as commodities, are entitlements one must acquire before developing a property and can include commercial floor area, tourist accommodation units, existing residential units, residential development rights and allocations, land coverage, and restoration credits.

"The Lake Tahoe Regional Plan recognizes the importance of redevelopment," said Jennifer Self, a senior planner with TRPA. "Private investment in our communities is a key mechanism for getting environmental improvements on the ground. We want to make sure our systems are encouraging this type of redevelopment and not hindering progress."

Since September 2015, a dedicated group has been meeting to discuss how to better manage growth, support environmentally beneficial and economically feasible redevelopment, and improve the effectiveness and predictability of the current development rights system.

The Development Rights Strategic Initiative Working Group includes representatives from the environmental and business sectors, state land banks, California Attorney General's Office, the TRPA Advisory Planning Commission, and the Regional Plan Implementation Committee.

The working group released recommendations in September 2017. A formal environmental review of the recommendations is anticipated this summer, with the final approval and adoption in September and October. All working group meetings and approval hearings will include opportunities for the public to comment on the proposals.

"The working group partnered with a national expert in development rights systems to look at best practices from around the country and see what we could model right here in Tahoe," Self said.

Under the recommendations, TRPA would make five key improvements that would increase flexibility and create a more user-friendly system while still maintaining the overall development cap for the basin:

- Allowing for the conversion or exchange of development rights from one type to another to allow for more flexibility and responsiveness to market demands. The system no longer has rigid silos of development types.
- Eliminating local government approval of development rights transfers across jurisdictional boundaries to simplify the system and reduce fees. A local jurisdiction would have the option to reinstate the so-called "veto" if it saw a net loss of 5 percent of existing development rights over a two-year period.
- Strengthening partnerships between TRPA and the California and Nevada land banks to increase development rights inventories. This partnership would help accelerate the goals of the Regional Plan by retiring development on sensitive lands and transferring the

development rights at low cost to projects in town centers.

- Improving the transfer-of-development-rights system to increase predictability and make the system more user-friendly. A few key improvements include eliminating a requirement to have an approved project prior to a transfer, expanding tracking and inventory capabilities on LakeTahoeInfo.org, and highlighting successful redevelopment projects.
- Allocating a portion of the residential bonus units for local achievable housing—housing for those who earn too much to qualify for affordable and moderate-income housing but too little to afford the median market-priced multi-family or single-family unit. These bonus units would be awarded essentially free of charge to eligible projects.

“All in all, we’ve heard from community groups that we’re moving in the right direction,” Self said.

For more information on development rights and public meetings, go **online**.

*Adam Jensen is an environmental education specialist for the Tahoe Regional Planning Agency. This article first appeared in the summer 2018 issue of Tahoe In Depth.*