

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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May 23, 2022

Hilary Roverud, Director  
Development Services Department  
City of South Lake Tahoe  
1052 Tata Lane  
South Lake Tahoe, CA 96150

Dear Hilary Roverud:

**RE: City of South Lake Tahoe's 6<sup>th</sup> Cycle (2022-2027) Revised Draft Housing Element**

Thank you for submitting the City of South Lake Tahoe's (City) revised draft housing element received for review on March 24, 2022. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by conversations on May 4 and 11, 2022 with yourself, Zachary Thomas, and consultants Amy Sinsheimer and Lindsey Klein. In addition, HCD considered comments from David M. Jinkens pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code).

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

*Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

Goals, Priorities, Metrics, and Milestones: To affirmatively further fair housing (AFFH), programs should be revised, as follows:

- *Program 1-4 (Using Local Incentives)* should consider a higher numerical target for the planning period.

- *Program 2-11 (Local Funding and Linkage)* should consider a higher numerical target for the planning period and geographic targeting such as focusing funds in areas of higher need and higher opportunity.
  - *Program 3-1 (Rehabilitation Loan)* should consider a higher numerical target for the planning period.
  - *Program 3-2 (Multiple-Family and Single Room Maintenance)* should specifically commit to how the City will facilitate rehabilitation and where resources will be focused (e.g., geographic targeting).
  - *Program 3-5 (Preservation of Housing Conditions)* should be revised with discrete timing, geographic targeting and higher numerical targets in the planning period.
  - *Program 3-8 (Multifamily Acquisition and Rehabilitation)* should consider targeting areas of higher need (e.g., lower-income, overcrowding, etc.), more discrete timing and higher numerical targets in the planning period.
  - *Program 3-9 (Landlord/Tenant Matching)* should consider targeting higher opportunity areas, discrete timing and numerical targets.
  - *Program 5-1 (Fair Housing)* should incorporate metrics or numerical outcomes and target geographic areas (e.g., higher opportunity or higher need areas).
2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

*Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level... Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels... (Gov. Code, § 65583, subd. (c)(1).)*

Sites Inventory: While the element was revised to address most of the previous finding regarding realistic capacity and lot coverage, it must revise or clarify the calculation of unit capacity. The element must address discrepancies related to unit capacity on the following parcels: 027-072-32, 023-241-42, 031-284-004, 031-132-003, 031-092-004, and 026-104-005 for above moderate-income units and the five pioneer road parcels for the lower-income regional housing need allocation (RHNA).

Accessory Dwelling Units (ADU): The element did not address this requirement. Please see HCD's prior review.

Zoning for a Variety of Housing Types (Emergency Shelters): While the element was revised to add the Tahoe Regional Planning Agency (TRPA) definition for social service organizations, the element must describe whether it complies with the parking requirements in AB 139 or add or modify programs as appropriate.

Programs: As noted above, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

3. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element... (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and address the goals of the housing element, programs should have specific commitment and discrete timelines for implementation. Programs that must be revised include:

- *Program 1-1 (Mixed-Use Development)* was revised to review additional incentives annually, but it should include a timeframe for when the incentives will be adopted.
- *Program 2-3 (Inter-Jurisdictional Cooperation for Housing)* was revised to report on potential actions, but it should also include discrete timing to implement the results. In addition, the program should state a timeframe of how often the City will apply to the grant opportunities.
- *Program 2-8 (Mitigate TRPA Regulations)* was revised, but it should include discrete timing with specific timing to implement each step early in the planning period as well as back-up actions if TRPA does not adopt the actions listed in the program.
- *Program 3-1 (Rehabilitation Loan Program Administration Partnering)* should include a back-up action if the funding for the program is not secured in 2023 (e.g., annually explore and apply for funding) as well as consider higher numerical targets.
- *Program 4-2 (Family Housing)* was removed from this draft. The element should either demonstrate a lack of need for larger housing types (e.g., 3 to 4 bedrooms) or add back the prior program with proactive outreach and discrete timing (e.g., annually).

The element will meet the statutory requirements of State Housing Element Law once it has been revised and adopted to comply with the above requirements.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the RHNA, including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and dedication of the City during the course of our review. We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Hillary Prasad, of our staff, at [Hillary.Prasad@hcd.ca.gov](mailto:Hillary.Prasad@hcd.ca.gov).

Sincerely,



Paul McDougall  
Senior Program Manager