

February 21, 2024

City of South Lake Tahoe
Planning Commission
1901 Lisa Maloff Way, South Lake Tahoe, CA 96150
Submitted via email

Re: Agenda Item #2: Tourist Core Area Plan Amendments

Dear Planning Commission Members and Staff,

For a multitude of compelling reasons, the League urges the City of South Lake Tahoe Planning Commission to reject the rezoning of the Colony Inn parcel. The parcel proposed for rezoning at the base of Van Sickle park is a restored site turned into open space and intended to be maintained as green space.

The rezoning is inconsistent with City and Tahoe Regional Planning Agency (TRPA) plans, goals, and policies. The League objects to the proposed rezoning of APN: 029-441-024 (Colony Inn parcel) from recreation to tourist center mixed use “to accommodate higher density housing opportunities.” This rezoning is inconsistent with City and TRPA plans and the intended use of the parcel and incongruent with restoration goals. The Colony Inn parcel was intended to be restored and permanently retired; and the stream environment zone (SEZ) restored, monitored, and maintained (see our previous letter, attached). *Rezoning the last area zoned for recreation/conservation land in the Tourist Core Area Plan (TCAP) area contradicts the goals and policies of the City’s General Plan and TRPA’s Regional Plan.* High density workforce housing is currently allowed on the parcel under the Recreation zone, however the owner of the parcel plans to build short term rentals on the site if this rezoning goes through.

The developer would like to build 28 condominium-style short term rentals. The project enabled by this rezoning would also include two residential units that would be dedicated to the “achievable” income category, which does not have an income limit. The current Recreation District allows single family dwelling and employee housing but does not permit multi-family dwellings (that in this case will become short term rentals) as a permissible residential use.

The old “Colony Inn” site was intended to be fully restored and permanently protected from future development. The developer took advantage of a loophole to get four 3-story short term rental buildings, with a 4 unit per acre density, each 36 feet tall, permitted for the Colony Inn parcel. The developer subsequently combined the Colony Inn parcel with the still-recreation zoned “back parcel,” hoping to change the zoning and build more short term rentals at 25 units per acre in buildings up to 56 feet high.

The developer’s justification for increasing the number of units in this rezoning points to the City’s recently adopted housing policy goal to increase density in Town Centers. The purpose of this policy is clearly to increase housing opportunities for residents, not to increase the use of valuable residential commodities to build short term rentals.

We have continually opposed this rezoning because it is in direct conflict with the intent of the carefully negotiated zoning in TRPA's 2012 Regional Plan. The clear zoning decisions made during the Regional Plan Update were created holistically and must not be changed by one project or a singular interest. One-off, project-driven amendments and rezoning attempts undermine both local and regional visions for growth in Tahoe. The environmental review for the proposed rezoning selected limited TRPA- specific and -referenced goals and policies that this project *may* support but did not include goals and policies where this project clearly conflicts. This rezoning proposal does not allow a fair assessment of the pros and cons of the proposed project. These include, but are not limited to ROS-2.9, ROS-2.10, ROS-2.11, Land Use Element Goal 1 Policies 2 and 3, Soils Goal 1 Policy 7, Open Space Goal 1, and Stream Environment Standard SC-2.

The League continues to oppose the rezoning consistent with the League's mission, with increasing intensity as the proposal increases the development potential on one of the only two recreation parcels in the entire Tourist Core.

The rezoning process for this parcel has been fraught with delays and hangups because of the controversial nature of the project that would result from the rezoning. We have no business turning greenspace into development in Tahoe and the developer knew the limitation of the properties when they were purchased.

We urge the Planning Commission to recommend that City Council reject the proposed amendments because they conflict with the intent to permanently restore and protect the site from development, do not help achieve City or TRPA land use and open space goals and policies, and do not address the housing crisis in Tahoe.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darcie', with a long, sweeping horizontal line extending to the right.

Darcie Goodman Collins, PhD
CEO League to Save Lake Tahoe

May 15, 2023

City of South Lake Tahoe
City Council Members
Hilary Roverud, Planning Director
1901 Lisa Maloff Way, South Lake Tahoe, CA 96150
Submitted via email

Re: Agenda Item #15: Tourist Core Area Plan: 2023 Amendments, Montreal Parcel Rezoning

Dear City Council Members and Staff,

As a member of the 2012 Regional Plan Update (RPU) Bi-State Working Group, the League to Save Lake Tahoe (League) appreciates the opportunity to continue to work with the Tahoe Regional Planning Agency (TRPA) and the City of South Lake Tahoe (City) to implement the RPU. Effective implementation of Area Plans is critical to this ongoing effort. The League thanks the City for the opportunity to comment on the Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Tourist Core Area Plan (TCAP) amendments.

The League has commented to both the City and TRPA during the Scoping period and on the CEQA documents for the standalone Montreal amendment. We are strongly opposed to the rezoning of APN: 029-441-024 on Montreal Avenue and request it be removed from the proposed TCAP amendment package.

Overview

The League does not support the proposed rezoning of APN: 029-441-024 from recreation to tourist center mixed use “to accommodate higher density housing opportunities.” This rezoning would be inconsistent with City and TRPA plans and intent. The Colony Inn parcel was intended to be permanently retired and the stream environment zone (SEZ) restored. The SEZ restoration attempt failed. Rezoning the last recreation/conservation land in the TCAP area does not align with the goals and policies of the City’s General Plan or TRPA’s Regional Plan. High density workforce housing is currently allowed on the parcel under the Recreation zone. The owner of the parcel plans to build high-end short term rentals on the site if the rezoning goes through, and has attempted to achieve this rezoning through other efforts that the City did not support.

This seems to be under the guise of creating more housing, but we know that short term rentals are planned for the site. This rezoning was not included in the February 2022 Planning Commission TCAP amendment presentation and materials. This addition to the TCAP amendments appears to be a move by the land owner to go around the Planning Commission and City Council. City planning staff was going to recommend against this zoning change at the September 15, 2022 Planning Commission meeting and the applicant pulled the proposal.

We want the SEZ restored and corner parcel permanently protected.

SEZ Impacts and Site Suitability for Development

On March 18, 2008, the City passed a Resolution to permanently retire the Colony Inn site from future development as a condition of transferring the associated tourist accommodation units (TAUs) out of the City limits: “WHEREAS, the Colony Inn located partially Within an area identified for SEZ restoration, Once the Colony Inn is demolished, existing development will be transferred out of the SEZ and the site will be restored and permanently retired, thereby furthering the goals of the Stateline/Ski Run Community Plan and attainment of TRPA’s thresholds.”¹

The City included a Policy in the TCAP that aligns with its Resolution and approval of TAU transfers from the Colony Inn site: “Onsite land coverage reduction will occur primarily through environmental redevelopment by providing development incentives in centers that promote the relocation and transfer of land coverage. The City will endeavor, where feasible, to reduce and avoid creating new coverage in order to benefit the objectives of the TCAP and other areas of South Tahoe.”² This language was discussed at the November 2013 TRPA Governing Board meeting, including whether or not to specifically include the Colony Inn site as a target restoration site. In the end, though a specific site was not targeted for restoration and the Colony Inn site was intended for restoration and permanent retirement as stipulated above.

The City needs to decide whether this amendment meets the intent of the General Plan and TCAP including the goals and policies contained within it. The City’s Attorney will also need to determine whether or not a new Resolution is required to allow this Area Plan amendment.

Between 2009 and 2013 the Colony Inn was demolished and the SEZ should have been restored, but the restoration failed. According to TRPA’s 2020 SEZ Baseline Report, the Colony Inn site (Colony Inn Meadows) restoration failed.³ The SEZ only ranked a “C,” indicating an unhealthy SEZ due to a ditch running through the entire project, dewatering the meadow and leading to loss of vegetation vigor. With the proposed amendments, the coverage limit would increase from 30 percent to 70 percent, with coverage transfer on applicable lands with capability 4-7. Additional development around the SEZ where headcuts and ditches are present, significantly and irreversibly impact the SEZ which expressly violates the 2008 City Resolution and the intent of SEZ restoration. Regardless of the success of the SEZ restoration efforts, the site was to be permanently retired, in line with the City’s 2008 Resolution and enforced by TRPA’s approval of the Boulder Bay Community Enhancement Program Project EIS in 2009.⁴

In September, October, and November of 2013, the TRPA Regional Plan Implementation Committee (RPIC) and Governing Board had lengthy discussions internally and with the City and the public. One of the results of the discussion was the City reinforcing that it “wanted to identify [Colony Inn] as a priority site

¹ March 18, 2008 City of South Lake Tahoe Staff Report and Resolution.

http://slt.granicus.com/MetaViewer.php?view_id=4&clip_id=181&meta_id=15886

² October 15, 2013 TCAP. Policy NCR-4.1, page 7-3. <https://www.cityofslt.us/DocumentCenter/View/3508/Final-Tourist-Core-Area-Plan?bidId=>

³ December 2020 Lake Tahoe Basin SEZ Baseline Condition Assessment. Report:

https://gis.trpa.org/TahoeSEZViewer/SEZ%20baseline%20condition%20assessment_v8.pdf; StoryMap:

<https://www.google.com/url?q=https://storymaps.arcgis.com/stories/815a21db82944f7f95ce94d76c73a19b&sa=D&source=ocs&ust=1652741001866899&usg=AOvVaw2791Wlh0aSr9wKajKr5gZW>

⁴ November 4, 2009 Boulder Bay CEP Project EIS. https://www.trpa.gov/wp-content/uploads/documents/archive/4_01_Land_Use.pdf

for getting the stream environment zone restoration completed.”⁵ Other outcomes relevant to these proposed amendments are enshrined in the TCAP itself:

- “The Colony Inn which was located in SEZ lands by the intersection of Montreal Road and Heavenly Village Way was demolished and 64,800 square feet of land coverage was removed and banked, and the site stabilized. The existing tourist accommodation units removed from the site are proposed for transfer to the Boulder Bay Project in North Stateline. A condition of the Boulder Bay permit requires that the property be restored to a functioning SEZ prior to the units being transferred.” Page 3-4.
- “The Tourist Core Area Plan responds to the needed SEZ improvements: Restore the disturbed SEZ on the Colony Inn parcel located along Montreal Road.” Page 7-5.

In July of 2013, the League submitted comments on the TCAP in its early stages of development, including a clarifying question about the Colony Inn site. The November 2013 TRPA Governing Board meeting included responses to comments and #8 directly addresses the Colony Inn site.⁶ While the Boulder Bay project has been long-delayed and is currently changing with new ownership of that site, TRPA’s transfer rules may still apply and the intent to permanently retire the site is clear.

TRPA Counsel will need to provide an analysis of the SEZ Restoration Credits and requirement to permanently retire and “stabilize” the site based on TRPA Code and TCAP approvals in 2013, and the final intent captured in TCAP.

Recreation/Open Space

In the TCAP, the parcels in question are zoned as recreation. While this questionably aligns with the intent in the General Plan, Recreation districts in the TCAP are “intended to allow a variety of recreation uses such as dispersed recreation and parks. Permissible uses include day use areas and group facilities.”⁷ The dispersed recreation use most closely aligns with the intent of the Conservation designation in the General Plan. When the TCAP was developed, the Conservation designation arguably should have translated to the Open Space designation which “is intended to preserve land in its present use that would: 1) conserve and enhance natural or scenic resources; 2) protect streams environment zones, sensitive lands, water quality or water supply; 3) promote soil and habitat conservation; 4) enhance recreation opportunities; and/or 5) preserve visual quality along highways, roads, and street corridors or scenic vistas. The land is predominantly open, undeveloped, or in a lightly developed and is suitable for any of the following: natural areas, wildlife and native plant habitat; erosion control facilities, stream environment zones, stream corridors; passive parks; and/or trails for non-motorized activities.”⁸ This Open Space designation also aligns with TCAP policies NCR-2.3 and R-2.3,⁹ which would be very difficult or impossible to implement or achieve if the proposed amendments are approved.

⁵ October 24, 2013 Meeting Minutes from TRPA RPIC meeting. Page 19. <https://www.trpa.gov/wp-content/uploads/documents/archive/January-29-2014-Governing-Board-Packet.pdf>

⁶ November 20, 2013 Response to Comments on the TCAP. Response #8, Page 4. https://www.trpa.gov/wp-content/uploads/documents/archive/6_FINAL_Attachment-E_Responses-to-Comments.pdf

⁷ October 15, 2013 TCAP. Page 5-6.

⁸ *Ibid.*

⁹ TCAP Policy NCR-2.3: Encourage the use and access to designated open space for passive recreation uses when they conform to resource restrictions

TCAP Policy R-2.3: Encourage landscaped, small passive parks in and around the Tourist Core

TRPA's Regional Plan (RPU) was updated in 2012, between the adoption of the City's General Plan and the TCAP. The IS/MND, in section 1.8, selected a few TRPA- specific and -referenced goals and policies that this project *may* support but the ones it may conflict with are not included which does not allow a fair assessment of the pros and cons of the proposed project. These include, but are not limited to ROS-2.9, ROS-2.10, ROS-2.11, Land Use Element Goal 1 Policies 2 and 3, Soils Goal 1 Policy 7, Open Space Goal 1, and Stream Environment Standard SC-2.

To comply with the City's and TRPA's land use designations and goals and policies related to open space and recreation, the "corner parcel" at 3828 Montreal Road (APN 029-441-003) needs to be permanently retired as Recreation or Open Space through a deed restriction on the parcel. This would include the access easement associated with the Colony Inn to the Van Sickle access road.

Summary and Recommendations

The proposed rezoning is not consistent with the land use designations or the majority of the relevant goals and policies in the RPU, TCAP, or General Plan. This proposed rezoning should be removed from the proposed TCAP amendments.

Thank you for the opportunity to provide these comments. Please do not hesitate to contact me with questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darcie', with a long horizontal flourish extending to the right.

Darcie Goodman Collins, PhD
CEO League to Save Lake Tahoe