City of South Lake Tahoe
City Council
Meeting Agenda
Tuesday, October 04, 2022 at 9:00 AM
City Hall - Council Chambers - 1901 Lisa Maloff Way, South Lake Tahoe

City Council
Devin Middlebrook, Mayor
Cristi Creegan, Mayor Pro Tem
Cody Bass, Councilmember
John Friedrich, Councilmember
Tamara Wallace, Councilmember

Mission of the City Council
The City Council exists to represent the public interest, to oversee the City's operations and to plan for the City's future.

Public Participation
City Council meetings are held in person at the time and location listed on this agenda. Meetings are live-streamed on Channel 21, City website at www.cityofslt.us, and via ZOOM at this link https://us06web.zoom.us/j/83604762536

A public agenda packet is available for review at City Hall, 1901 Lisa Maloff Way, on the City's Website at www.cityofslt.us, or by contacting the City Clerk's Office, (530) 542-6005 or sblankenship@cityofslt.us

Providing Public Comment:
In Person: Every agenda for regular meetings provides an opportunity for members of the public to directly address the legislative body (City Council), on any item of public interest which is within the jurisdiction of the City Council during Public Communications. For items on the agenda or in connection with any item which the City Council will consider, the public is given the opportunity to comment before or during the City Council's consideration of the item [Government Code Section 54954.3(a)].

By Phone: If you are joining the meeting via ZOOM and would like to make a comment, press the "raise a hand" button. If you are joining the meeting via Channel 21 or live stream and would like to make a comment, please call (530) 542-6500. The meeting ID is ID: 836 0476 2536 press *9 to indicate a desire to make a comment. Press *6 to unmute your phone. The Clerk will call you by the last three digits of your phone number when it is your turn to speak.

In Writing: Written comments received by 3 p.m. the day before the meeting will be distributed to City Council prior to the meeting. Written public comment regarding any item on this agenda may be sent to PublicComment@cityofslt.us. When emailing comments, identify the agenda item number in the subject line to which your comments relate. Any such comment that is a public record and is emailed to PublicComment@cityofslt.us or otherwise provided to a majority of the City Council before the meeting will be made available for public inspection during normal business

hours at the City Clerk's Office located at City Hall, 1901 Lisa Maloff Way, South Lake Tahoe [Government Code Section 54957.5(b)]. Written comments will not be read out loud during the meeting.

The City Council Chambers meeting facility is accessible to people with disabilities. Every reasonable effort will be made to accommodate any person needing special assistance to attend this meeting. Contact the City Clerk at (530) 542-6005 at least 48 hours in advance of the meeting for assistance [28 CFR 35.102.35.104 ADA Title II and Brown Act Government Code Sections 54953.2, 54954.1, 54954.2, and 54957.5].

Spanish Interpretations: The public may access Spanish interpretation using the ZOOM link listed on the front of the Agenda from an internet device (smartphone, laptop, tablet, home computer) with audio capabilities and selecting the Spanish language option. Persons without an internet device may attend the meeting in-person and a device will be provided while supplies last. Requests for interpreter services to offer public comment may be made by contacting the City Clerk.

Call to Order/Pledge of Allegiance

Roll Call

Closed Session Report

City Employee Recognition

1. City Employee Recognitions
Requested Action / Suggested Motions: One employee will be recognized for reaching 15 Years-Service.
Responsible Staff Member: Various
Item 1 - Executive Summary.pdf
01-Staff Report 10 04 2022.pdf

Public Communications

This is the public's opportunity to speak on any topic NOT LISTED on this agenda. Comments shall be limited to four (4) minutes. In accordance with the Brown Act, the City Council cannot deliberate or vote on any matter raised under public communications, but may briefly respond to statements made or questions posed. (Government Code Sections 54954.2)

City Commission and Student Advisory Reports

Presentations

Consent Agenda

Public Comment - This is the public's opportunity to speak on any topic listed on the Consent Agenda. Comments shall be limited to three (3) minutes.

The consent agenda consists of items of a repeating or routine nature considered under a single action. Any Councilmember may have an item on the consent agenda removed and considered separately upon request.

Pass a Motion to adopt the Consent Agenda in one motion except as indicated at each item.

2. City Council Meeting Minutes
Requested Action / Suggested Motions: Pass a Motion approving the August 23, 2022 City Council

and South Tahoe Redevelopment Successor Agency meeting minutes and the September 6, 2022 Regular City Council meeting minutes.
Responsible Staff Member: Susan Blankenship, City Clerk
Item 2 - Executive Summary.pdf
08 23 2022 MInutes.pdf
09 06 2022 Minutes.pdf

3. Fiscal Year 2022-2023 Appropriation Limit
Requested Action / Suggested Motions: Pass a Resolution establishing the Appropriation Limit for Fiscal Year 2022-2023 in compliance with Proposition 111 in the amount of $95,186,823.
Responsible Staff Member: Andrew Black, Financial Services Supervisor
Item 3 - Executive Summary.pdf
01-Staff Report - Appropriations Limit 2022-2023.docx
02-Resolution -2022-2023 Appropriations Limit.docx
03-Appropriations Limit 2022 2023 Worksheets

4. City Conflict of Interest Code Update
Requested Action / Suggested Motions: Pass a Resolution Updating the City Conflict of Interest Code.
Responsible Staff Member: Susan Blankenship, City Clerk
Item 4 - Executive Summary.pdf
01-Staff Report - Conflict of Interest Code.docx
02-Appendix A (Redline).pdf
03-Resolution - Conflict of Interest Code.docx

5. Ordinance Amending Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles (Second Reading)
Requested Action / Suggested Motions: Pass an Ordinance Amending 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles.
Responsible Staff Members: Heather Stroud, City Attorney and Sara Letton, Sustainability Coordinator
Item 5 - Executive Summary.pdf
01 - Staff Report.docx
02 - Ordinance Amending Chapter 4.175.docx

6. CalRecycle Beverage Container Recycling Grant Program Application
Requested Action / Suggested Motions: Pass a Resolution authorizing submittal of a grant application to CalRecycle for up to $275,000 to purchase and install water bottle refilling stations.
Responsible staff Member: Sara Letton, Sustainability Coordinator
Item 6 - Executive Summary.pdf
01 - Staff Report CalRecycle BCR Grant 2022.docx
02_-_Resolution_CalRecycle_Grant_2022.docx

7. Acceptance of Tahoe Regional Planning Agency Mitigation Funding for the Tahoe Valley Stormwater and Greenbelt Improvement Project
Requested Action / Suggested Motions: Pass a Resolution accepting and appropriating Tahoe Regional Planning Agency (TRPA) Water Quality Mitigation Funding ($540,152.48) and Air Quality Mitigation Funding ($200,000) and transferring $87,395.97 from the completed Upper Truckee River Restoration Project to the Tahoe Valley Stormwater and Greenbelt Improvement Project for

construction.
Responsible Staff Members: Stan Hill, Engineering Manager and Jason Burke, Complete Streets Manager
Item 7 - Executive Summary.pdf
01 - Staff Report - TRPA Mitigation Funds.docx
02-Project Location Map.pdf
03-Resolution-2022-099.pdf
04 - Resolution TRPA Funding.doc

8. Donation from the El Dorado Community Foundation designated to support the Park Ranger Program
Requested Action / Suggested Motions: Pass a Resolution authorizing acceptance of a $20,000 cash donation from the El Dorado Community Foundation designated to support the Park Ranger Program.
Responsible Staff Member: Lauren Thomaselli, Director of Parks and Recreation and Joe Irvin, City Manager
Item 8 - Executive Summary.pdf
01-Staff Report - El Dorado Community Foundation Donation.docx
02-Resolution - El Dorado Community Foundation Donation to the Park Ranger Program.docx
03-Donation Approval Form_EDCF Donation.pdf
04-Donation Acknowledgement_El Dorado Community Foundation.docx.pdf

9. Amendment No. 6 to Agreement with Cardno for Tahoe Valley Stormwater and Greenway Improvement Project
Requested Action / Suggested Motions: Pass a Motion approving Amendment No. 6 to Professional Services Agreement with Cardno for engineering and design service on the Tahoe Valley Stormwater and Greenway Improvement Project to increase compensation by $21,770 to include the work necessary to add the Urgent Care parcel to the Tahoe Valley, Phase 2 bid documents.
Responsible Staff Members: Stan Hill, Engineering Manager and Jason Burke, Complete Streets Manager
Item 9 - Executive Summary.pdf
01-Staff Report - Cardno Amendment No. 6.docx
02-Project Location Map.pdf
03-Cardno Amendment No. 6 to PSA.docx
04-Exhibit D Scope of Work.docx

10. Master Fee Schedule Amendment – General Plan, Community Plan, Area Plan, Plan Area Statement Amendments
Requested Action / Suggested Motions: Pass a Resolution amending the Master Fee Schedule for General Plan, Community Plan, Area Plan, Plan Area Statement Amendments.
Responsible Staff Member: Hilary Roverud, Director of Development Services
Item 10 - Executive Summary.pdf
01-Staff Report
02-Resolution

11. Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18
Requested Action / Suggested Motions: Pass a Resolution Ratifying a Reimbursable Agreement with the Federal Aviation Administration (FAA) and approving budget appropriation of $20,196.00 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18.

Responsible Staff Member: John Dickinson, Airport Manager
Item 11 - Executive Summary.pdf
01-Staff Report - FAA Reimbursable Agreement for Flight Inspection.docx
02-Resolution FAA Reimbursable Agreement for Flight Inspection of Runway 18.docx
03-FAA Agreement

12. Infill Infrastructure Grant (IIG) Program Application Letter of Support for the Sugar Pine Village Affordable Housing Project
Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to sign a letter of support for Sugar Pine Village Phase 2A, Phase 1B, and Phase 2B with Related Companies of California LLC under the Super Notice of Funding Availability for the IIG Program for an award amount of $8,961,500.
Responsible Staff Members: Jessica Wackenhut Lomeli, Associate Housing Planner and Zach Thomas, Housing Manager
Item 12 - Executive Summary.pdf
01-Staff Report SuperNOFA IIG.docx
02-IIG Notice of Funding Availability.pdf
03-IIG Letter of Support.pdf

13. Application to Caltrans for Sustainable Transportation Planning Grant of $450,000 for Stateline Area Complete Streets Project
Requested Action / Suggested Motions: Pass a Resolution authorizing the Director of Public Works (or designee) to submit a grant application to the California Department of Transportation (Caltrans) for a planning grant in the amount of $450,000 for stakeholder outreach and planning for a complete streets project in the Stateline area.
Responsible Staff Members: Jason Burke, Complete Streets Program Manager and Sara Letton, Sustainability Coordinator
Item 13 - Executive Summary.pdf
01-Staff Report-Stateline Area Complete Streets
02-Stateline Area Complete Streets Project Map.pdf
03-Resolution - Stateline Complete Streets Grant Application.docx
04-Stateline Area Complete Streets Project.pptx

14. Ordinance Amending Chapter 3.50 (Transient Lodging) of the South Lake Tahoe City Code Section 3.50.140 (Security for Collection of Tax) and Section 3.50.260 (Register to be Kept Two Years) to Clarify Language Regarding Security Instruments and Register Retention Period (Second Reading)
Requested Action / Suggested Motions: Pass an Ordinance amending Section 3.50.140 (Security for collection of tax) and Section 3.50.260 (Register to be kept two years) of the City Code Chapter 3.50 (Transient Lodging) to clarify language regarding security instruments and register retention period.
Responsible Staff Member: Ben Hannah, Accountant II.
Item 14 - Executive Summary.pdf
01-Staff Report - City Code Amendments.docx
02-Ordinance - Transient Lodging.docx
03 - CSLT Red Line Transient Lodging 2022.pdf

Regular-Unfinished Business

15. Tahoe Basin Transportation Action and Funding Plan Support
Requested Action / Suggested Motions: Pass a Resolution Committing to a regional transportation

funding partnership effort to jointly raise a minimum of $20 million per year for transportation and transit services in the Lake Tahoe region to support implementation of the Regional Transportation Plan.
Responsible Staff Members: Joe Irvin, City Manager and Anush Nejad, Director of Public Works

Item 15 - Executive Summary.pdf
01 - Staff Report TRPA Transportation Funding Support.docx
02 - CA and NV Letter of Support.pdf
03 - Placer County Staff Report and Resolution.pdf
04 - El Dorado County Letter of Support.pdf
05-Resolution - Tahoe Basin Transportation Action Plan.docx

16. Broadband Feasibility Study Update and Financial Options
Requested Action / Suggested Motions: City Council is asked to provide direction to the City Manager on the Broadband Feasibility Study and options to improve service in the South Lake Tahoe.
Responsible Staff Member: Anush Nejad, Director of Public Works
Item 16 - Executive Summary.pdf
01- Staff Report Broadband Services Update.docx
02-CSLT_Broadband_Study_Operating_Models_and_Financial_Implications.pptx

17. Final Report on the Comprehensive Transit Analysis of Current Mobility Services in the South Shore by Via Mobility, LLC
Requested Action / Suggested Motions: Receive Final Report and provide direction to staff on next steps.
Responsible Staff Member: Lindsey Baker, Assistant to the City Manager
Item 17 - Executive Summary.pdf
Staff Report Via Final Report to City Council.docx
02-Via Mobility Final Report.pdf

Regular-New Business

18. Revised Airport Rates and Charges
Requested Action / Suggested Motions: Pass a Resolution approving a one-year, three-year, or five-year plan for Airport fees beginning January 1, 2023.
Responsible Staff Member: John Dickinson, Airport Manager
Item 18 - Executive Summary.pdf
01-Staff Report Airport Rate and Charges Study
02-Resolution-Airport Rates and Fees
03-Presentation
04-General Fund Contributions to Airport FY 2016 to 2022.pdf
05-TVL Rates and Charges Technical Report
06- Lake Tahoe Airport Economic Impact Study

19. Ordinance Adopting 2022 California Building Standards Code (First Reading)
Requested Action / Suggested Motions: Pass a Motion to hold first reading (by title only) of an Ordinance amending South Lake Tahoe City Code, Title 6, Chapter 6.15 Building Regulations, Articles I-IV, by adopting the 2022 California Building Standards Code (California Code of Regulations Title 24), including California Green Building Code, Building Code, Fire Code, and related Construction Codes, and refer second reading and adoption to the November 15, 2022

meeting.
Responsible Staff Member: Hilary Roverud, Director of Development Services
Item 19 - Executive Summary.pdf
01-Staff Report - Building Ordinance.docx
02-Ordinance - Building Regulations.docx
03 -Exhibit A to Ordinance, Chapter 6.15 Building Regulations - Edited.docx
04 -Ch 6.15 Redline.pdf

20. Ordinance Increasing City Council Compensation (First Reading)
Requested Action / Suggested Motions: Either Pass a Motion to: 1) Hold a first reading (by title only) of an Ordinance Increasing the City Council Compensation to $1,264.86 per month, effective January 23, 2023, and refer second reading and adoption to the November 1, 2022 meeting; 2) Make no changes to the current compensation; or 3) Direct staff to bring back a revised Ordinance increasing compensation by a lower amount.
Responsible Staff Member: Susan Blankenship, City Clerk
Item 20 - Executive Summary.pdf
01-Staff Report City Council Compensation.docx
02-Ordinance-City Council Compensation.docx
03-ORD 2020-1149 Ordinance Increasing City Council Compensation.pdf

21. Resolution Increasing City Treasurer Compensation
Requested Action / Suggested Motions: City Council may either: 1) Pass a Resolution increasing City Treasurer compensation to $1,264.86 per month, effective January 23, 2023; 2) Pass a Resolution increasing City Treasurer compensation by a lower amount; or 3) Make no changes to the current compensation.
Responsible staff Member: Susan Blankenship, City Clerk
Item 21 - Executive Summary.pdf
01-Staff Report City Treasurer Compensation.docx
02-Resolution - City Treasurer Compensation.docx
03-Res 2020-091 Compensation Increase City Treasurer.pdf

Agenda Planning Calendar

22. Agenda Planning Calendar
Requested Action / Suggested Motions: A Councilmember may request that an item be placed on a future agenda. Upon the support of one (1) additional Council Member, direction shall be given to the City Manager to calendar the item for a convenient future agenda, but no sooner than the second meeting after the request was made, and/or modify the Agenda Planning Calendar as desired.
Responsible Staff Member: Joseph Irvin, City Manager
Item 22 - Executive Summary.pdf
APC - 09 28 2022.pdf

Updates and Announcements (City Attorney, City Clerk, City Manager)

Councilmember Reports and Comments - Assignments to Boards, Committees, and Commissions

Adjournment

I, Susan Blankenship, City Clerk for the City of South Lake Tahoe, declare that the foregoing agenda for the Tuesday October 4, 2022 meeting of the City of South Lake Tahoe City Council was posted and available for review on Thursday,

September 29, 2022 at City Hall, 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150. The agenda was also available on the City website at https://www.cityofslt.us.

Signed September 29, 2022
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Susan Blankenship, Elected City Clerk

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 1

Agenda Item: City Employee Recognitions

Executive Summary: New City employees and long-serving City employees who reach the 5, 10, 15, 20, & 25 year service milestone will be recognized at each monthly meeting.

Requested Action / Suggested Motions: One employee will be recognized for reaching 15 Years-Service.
Responsible Staff Member: Various

Responsible Staff Member: Various Departments

Reviewed and Approved By:
Susan Blankenship, City Clerk

Attachments:

01-Staff Report 10 04 2022.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: City Employee Recognition

Location: Citywide

Responsible Staff Member: Various Department Directors

Background: As part of the City's Employee Recognition Program, employees who have reached five, ten, fifteen, twenty and twenty-five years of service are recognized for their achievements and contributions to the City.

Service Awards:

Fire Department

Michael Mileski – 15 Years' Service

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 2

Agenda Item: City Council Meeting Minutes

Executive Summary: City Council is asked to formally approve the August 23, 2022 City Council and South Tahoe Redevelopment Successor Agency meeting minutes and the September 6, 2022 Regular City Council.

Requested Action / Suggested Motions: Pass a Motion approving the August 23, 2022 City Council and South Tahoe Redevelopment Successor Agency meeting minutes and the September 6, 2022 Regular City Council meeting minutes.
Responsible Staff Member: Susan Blankenship, City Clerk

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Reviewed and Approved By:

Attachments:

08 23 2022 MInutes.pdf
09 06 2022 Minutes.pdf

City of South Lake Tahoe
City Council and South Tahoe Redevelopment Successor Agency
Meeting Minutes
Tuesday, August 23, 2022 at 9:00 AM
City Hall - Council Chambers - 1901 Lisa Maloff Way, South Lake Tahoe

City Council
Devin Middlebrook, Mayor
Cristi Creegan, Mayor Pro Tem
Cody Bass, Councilmember
John Friedrich, Councilmember
Tamara Wallace, Councilmember

Mission of the City Council
The City Council exists to represent the public interest, to oversee the City's operations and to plan for the City's future.

Call to Order/Pledge of Allegiance
At 9:02 a.m. Mayor Middlebrook called the meeting to order. Middlebrook then led the pledge of allegiance to the flag.

Roll Call
Present were Mayor Middlebrook, Councilmembers Bass, Friedrich, Middlebrook and Wallace. Councilmember Creegan was absent.

Also present were City Manager Irvin, City Attorney Stroud, and City Clerk Blankenship.

Public Communications
None.

City Commission Reports
None.

Consent Agenda
Action: Moved/Seconded: Bass/Friedrich
Yes: Bass, Friedrich, Middlebrook and Wallace
Absent: Creegan
Action: Passed Consent Agenda.

1. **FY 2022-2027 Capital Improvement Plan Adoption**
   Action: Passed **Resolution 2022-105** adopting the FY 2022 to 2027 Five-Year Capital Improvement Plan.
   Public Comment was heard from the following person:
   1. Ed Mosur

Unfinished Business - City Council and South Tahoe Redevelopment Successor Agency

2. Letter of Intent to Sell Surplus Property Owned by South Tahoe Redevelopment Successor Agency at 3900 and 3908 Lake Tahoe Boulevard to Novin Development and SMR Development for $1 Million

Action: Moved/Seconded: Friedrich/Wallace
Yes: Bass, Friedrich, Middlebrook and Wallace
Absent: Creegan
Action: Acting as the South Tahoe Redevelopment Successor Agency, Passed **STRSA Motion 2022-003** authorizing and directing the Board Chair to execute the Letter of Intent with Novin Development and SMR Development, and authorizing the Executive Director to enter into negotiations on a purchase and sale agreement for the property located at 3900 and 3908 Lake Tahoe Blvd.
Action: Moved/Seconded: Friedrich/Wallace
Yes: Bass, Friedrich, Middlebrook and Wallace
Absent: Creegan
Action: Acting as the City Council Passed **Motion 2022-087** authorizing and directing the Housing Manager to participate in negotiations on the agreement regarding terms besides sale of the Successor Agency property.
Public Comment was heard from the following person:

1. Nick Speal
2. Ed Mosur
3. Scott Robbins

Budget Workshop

3. FY 2022-2023 Recommended Budget

Action: Moved/Seconded: Wallace/Friedrich
Yes: Bass, Friedrich, Middlebrook and Wallace
Absent: Creegan
Action: Received presentation and (1) Passed **Resolution 2022-106** Approving FY 2022-2023 Municipal Operating and Capital Improvement Program Budget and Establishing Committed Reserve Balance of $500,000 for General Liability Program (2) Passed **Resolution 2022-107** Approving FY 2022-2023 List of Allocated Permanent Positions, including new, eliminated, and reclassified positions, and corresponding salary table adjustments.
Public Comment was heard from the following person:

1. Ed Mosur
2. Nick Speal
3. Scott Robbins

Agenda Planning Calendar

Action: Received.

Updates and Announcements (City Attorney, City Clerk, City Manager)

None.

Councilmember Reports and Comments - Assignments to Boards, Committees, and Commissions

Councilmember Friedrich:

1. Upcoming Multi-Cultural Festival – October 1

Councilmember Wallace:

1. Thank you to Fire and Police Departments

Mayor Middlebrook:

1. Attended Recreation JPA meeting
2. Upcoming Tahoe Prosperity Summit
3. Lake Tahoe Community College Art Gallery, Caldor Fire Exhibit

Adjournment

At 12:57 p.m. Mayor Middlebrook adjourned the meeting.

_____ _____

Devin Middlebrook, Mayor Date

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe
City Council
Meeting Minutes
Tuesday, September 06, 2022 at 9:00 AM
City Hall - Council Chambers - 1901 Lisa Maloff Way, South Lake Tahoe

City Council
Devin Middlebrook, Mayor
Cristi Creegan, Mayor Pro Tem
Cody Bass, Councilmember
John Friedrich, Councilmember
Tamara Wallace, Councilmember

Mission of the City Council
The City Council exists to represent the public interest, to oversee the City's operations and to plan for the City's future.

NOTE: The Meeting Minutes represent actions taken during the meeting of the City Council. Complete Council members discussions on Regular Session meeting items can be viewed in archived video recordings on the City's website at http://www.cityofslt.us *Public submittals on items are retained in the administrative record and can be viewed in the City Clerk's repository at* http://www.cityofslt.us

Call to Order/Pledge of Allegiance
At 9:00 a.m. Mayor Middlebrook called the meeting to order. Middlebrook then led the pledge of allegiance to the flag.

Roll Call
Present were Mayor Middlebrook, Councilmembers Bass, Creegan, Friedrich and Wallace.

Also present were City Manager Irvin, City Attorney Stroud, and City Clerk Blankenship.

Closed Session Report
None.

City Employee Recognition

1. **City Employee Recognitions**
   Action: Ember Buckman, Human Resources and Doug Bailey, Police Department were recognized for reaching 15 Years-Service.

Proclamation

2. **Proclamation - Recognizing September 17-23, 2022 as "Constitution Week"**
   Action: Issued a Proclamation to Laura Trimberger and Dawn Hill, Lake Tahoe Chapter, National Society of the Daughters of the American Revolution, recognizing September 17-23, 2022 as "Constitution Week".

Public Communications
Public Comment was heard from the following people:

1. Bruce Fritz - neighbor dispute
2. Milo King, South Tahoe High School Student Representative- bike path, climate change
3. Darlene Fritz – neighbor dispute
4. Ed Mosur - reserve fund use

5. Kenny Curtzweiler – 911 memorial plaque
6. Durriya Syed – internet options, wildfire

City Commission Reports

The following commissioner addressed City Council:

1. David Gregorich, Parks and Recreation - Cemetery Improvement Committee, Champions Plaza Nomination

*written material distributed (Al Tahoe Cemetery Flyer) by Rosemary Manning.

Presentations

3. Lake Tahoe Transportation Action Plan

Action: City Council provided direction to staff to bring back a Resolution of support.

The following people address City Council:

1. Nick Haven, TRPA Long Range Planning and Transportation Department Manager *provided PowerPoint Presentation

Public Comment was heard from the following people:

2. Ed Mosur
3. Amelia Richmond

Consent Agenda

Note: Councilmember Friedrich pulled Item 14 from the Consent Agenda.
Action: Moved/Seconded: Wallace/Bass
Yes: Bass**,** Creegan, Friedrich, Middlebrook and Wallace
Action: Passed Consent Agenda with noted exceptions.

4. City Council Meeting Minutes

Action: Passed **Motion 2022-099** approving the August 9, 2022 City Council and South Tahoe Joint Powers Financing Authority meeting minutes

5. Investment Portfolio Report - June 30, 2022

Action: Received and filed.

6. Fiscal Year 2022-2023 Investment Policy and Authority

Action: Passed **Resolution 2022-108** delegating investment authority to the City Treasurer and reconfirming and adopting the City Investment Policy for the year October 1, 2022 to September 30, 2023.

7. Fiscal Year 2021-22 Quarterly Financial Status Report - Quarter Ending June 2022

Action: Received and filed.

Public Comment was heard from the following person:

1. Ed Mosur

8. Ordinance - Amending City Code Chapter 3.45 (Purchasing) to Clarify Language Regarding Bidding Process and Update Public Contract Procurement Thresholds (Second Reading)

Action: Passed **Ordinance 2022-1165** amending Chapter 3.45 (Purchasing) of the South Lake Tahoe City Code to clarify language regarding the bidding process and update public contract procurement thresholds.

9. California Office of Traffic Safety Enforcement Grant Fiscal Year 2022-2023
Action: Passed **Resolution 2022-109** authorizing the application, budget, and reimbursement of grant award by California Office of Traffic Safety (OTS) for a Selective Traffic Enforcement Program (STEP) in amount up to $65,000.00, and upon final approval from OTS, authorizing the Mayor to execute the grant agreement.

10. State Water Resources Control Board Grant Funding and Contract Award to Herback General Engineering for Tahoe Valley Stormwater and Greenbelt Improvement Project
Action: (1) Passed **Resolution 2022-110** accepting and appropriating State Water Resources Control Board (SWRCB) Proposition 1 implementation grant funding **C-152-2022** to the Tahoe Valley Stormwater and Greenbelt Improvement Project ($6,922,904); and (2) Passed **Motion 2022-088** authorizing and directing the Mayor to execute agreement **C-151-2022** with Herback General Engineering in the amount of $6,688,511.36 and approve a 10% construction contingency in the amount of $668,852 for the Tahoe Valley Stormwater and Greenbelt Improvement Project, Phase 1.

11. Community Development Block Grant CV1 Subrecipient Agreement Amendment 2 for Catalyst Family Inc.
Action: Passed **Motion 2022-089** authorizing and directing the City Manager to execute **C-154-2022** the Subrecipient Agreement Amendment 2 with Catalyst Family Inc., extending the term for an additional year to May 1, 2023, and increasing the budget from $96,750 to $106,176 with a revised scope of work.

12. Agreement with Trella Tahoe, Inc. for Snow Removal Operations
Action: Passed **Motion 2022-090** authorizing and directing the City Manager to execute contract **C-155-2022** with Trella Tahoe, Inc. for services related to snow removal operations at the Airport, Fire Department, Police Department, and Fire Rescue Facility, plus on-call service as needed for a term of November 1, 2022 to April 30, 2023 in an amount not to exceed $94,600.00.

13. Agreement with JYB Solutions, LLC for Custodial Services
Action: Passed **Resolution 2022-111** Amending Fiscal Year 2022-2023 Budget by appropriating $46,439.00 from General Fund Undesignated Excess Reserves and authorizing and directing the Mayor to execute Agreement **C-156-2022** with JYB Solutions, LLC for the City Hall/Airport Custodial Services for an amount not to exceed $46,439.00 for year one, for a term of one year with four one-year extensions.

14. Contract with Consolidated Engineering, Inc. for Hangar Taxilane Replacement Project
Action: Moved/Seconded: Wallace/Creegan
Yes: Bass**,** Creegan, Friedrich, Middlebrook and Wallace
Action: Passed **Motion 2022- 091** authorizing and directing the Mayor to execute contract **C-157-2022** with Consolidated Engineering Inc. to reconstruct the taxilanes near the hangars at the Airport in an amount not to exceed $413,997.50 plus 10% construction contingency of $41,339.75.
Public Comment was heard from the following people:

1. Scott Robbins
2. Ed Mosur
3. Nick Speal

15. Agreement with SNG & Associates, Inc. for Design and Engineering Services for the Barton Ave & 2nd Street Drainage Project
Action: Passed **Motion 2022-092** authorizing and directing the Mayor to execute Professional Services Agreement **C-158-2022** with SNG & Associates, Inc. for Design & Engineering Services for the Barton Ave & 2nd Street Drainage Project for an amount not to exceed $214,780.

16. Acceptance and Appropriation of National Opioid Litigation Settlement Funds in the Amount of $44,480.70 for Year One

Action: Passed Resolution **2022-112** accepting and appropriating funds from the National Opioid Litigation Settlement.

17. Appropriation to fund two Liability Claims from MetLife Home and Auto and Robert Giacomini

Action: Passed **Resolution 2022-113** appropriating $7,674.21 from General Fund Undesignated Excess Reserves to pay two liability claims.

Regular-Unfinished Business

18. Broadband Feasibility Study Presentation

Action: City Council provided direction to NEO Connect regarding equity and inclusion for affordable pricing, connecting public infrastructure, services beyond City limits, collaboration with El Dorado County, use of grants, and support for a municipal option.

The following person addressed City Council:

1. Diane Kruse, NEO Connect *provided a PowerPoint presentation

Public Comment was heard from the following people:

2. Scott Robbins
3. Ed Mosur
4. Nick Speal

Regular-New Business

19. Pilot Traffic Calming Projects for Lakeview (Al Tahoe) and Highland Woods Neighborhoods

Action: Moved/Seconded: Bass/Wallace

Yes: Bass**,** Creegan, Friedrich, Middlebrook and Wallace

Action: Passed **Resolution 2022-114** appropriating $150,000 from the General Fund Undesignated Excess Reserves and authorizing and directing the City Manager to execute the necessary Purchase Orders for procurement of supplies and materials related to the traffic calming projects in the Lakeview and Highland Woods Neighborhoods.

Public Comment was heard from the following people:

1. Mark Wojiechowski, Highland Woods resident
2. Nick Speal, Bicycle Coalition
3. Dan Demer
4. Natasha Buffo

Written Comment was received from the following people:

5. John Kolesar
6. Steve Abrams
7. Kelly Cassidy
8. Greg Hass *2 comments received

20. Vision Zero Goal and Grant Application of Safe Streets and Roads for All

Action: Moved/Seconded: Friedrich/Creegan

Yes: Bass**,** Creegan, Friedrich, Middlebrook and Wallace

Action: Passed **Resolution 2022-115** authorizing and directing the Director of Public Works to file a grant application with U.S. Department of Transportation for a grant in the amount of $250,000 to prepare a Vision Zero Action Plan.

Public Comment was heard from the following people:

1. Michelle Glickert, Tahoe Regional Planning Agency
2. Nick Speal, Bicycle Coalition

Note: Items 22 and 21 were moved to the end of the agenda.

23. New Financial Policy - Donation, Sponsorship, and Naming Rights Policy
Action: Moved/Seconded: Bass/Friedrich
Yes: Bass**,** Creegan, Friedrich, Middlebrook and Wallace
Action: Passed **Resolution 2022-118** adopting New Financial Policy - Donation, Sponsorship, and Naming Rights Policy.

Note: Councilmember Bass recused himself from Items 22 and 21 due to real property ownership in the area and left the meeting.

22. Land Exchange with California Tahoe Conservancy
Action: Moved/Seconded: Wallace/Friedrich
Yes: Creegan, Friedrich, Middlebrook and Wallace
Recused (absent): Bass
Action: Pass **Resolution 2022-117** declaring seven City-owned parcels totaling approximately 181 acres (APNs 025-061-037, 025-081-013, 025-091-012, 031-030-020, 031-030-039, 080-010-013, and 080-020-008) to be exempt surplus property and authorizing the City Manager to negotiate a land exchange agreement for 18 parcels totaling approximately 7.1 acres owned by the California Tahoe Conservancy (APNs 023-686-016, 026-065-016, 027-010-016, 027-010-024, 027-010-029, 027-053-014, 027-073-005, 027-074-006, 027-112-013, 027-112-014, 027-112-015, 027-112-016, 027-112-017, 027-112-024, 027-134-022, 031-173-002, 031-173-004, and 032-090-013).
Public Comment was heard from the following person:
1. Kevin Prior, California Tahoe Conservancy

21. Establishment of Johnson Blvd Utility Underground District Boundary
Note: Councilmember Friedrich recused himself due to real property interest in the area and left the meeting.
Action: Moved/Seconded: Creegan/Wallace
Yes: Creegan, Middlebrook and Wallace
Recused (absent): Bass and Friedrich
Action: Passed **Resolution 2022-116** identifying the proposed Johnson Blvd Underground Utility District boundary and setting a date for a Public Hearing on November 1, 2022 at 9:00 a.m. (or as soon thereafter) to determine if the public necessity, health or safety requires the removal of overhead electric or communication facilities within all or part the proposed district boundary.

Agenda Planning Calendar

24. Agenda Planning Calendar
Action: Addition of Non-Profit Policy (Creegan/Wallace)

Updates and Announcements (City Attorney, City Clerk, City Manager)

City Clerk:
1. 911 Memorial plaque location

City Manager:
1. South Shore Drive neighbor dispute
2. Landscaping along Highway 50 – thank you to Parks and Recreation

Councilmember Reports and Comments - Assignments to Boards, Committees, and Commissions

Councilmember Creegan:

1. Upcoming League of California Cities Conference
2. South Tahoe Refuse Meeting

Councilmember Wallace:

1. Attended TRPA Best in Basin Awards
2. Boys and Girls Club Donor Event
3. Jared Hass Brick at Champions Plaza

Mayor Middlebrook:

1. Upcoming Multicultural Festival at Bijou Park
2. Upcoming Annual JPA Abandoned Vehicle meeting

Adjournment

At 1:22 p.m. Mayor Middlebrook adjourned the meeting.

_____ _____

Devin Middlebrook, Mayor Date

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 3

Agenda Item: Fiscal Year 2022-2023 Appropriation Limit

Executive Summary: The attached resolution fulfills State requirements that limit the amount of annual appropriations by the City. Proposition 4 passed in 1979 and Proposition 111 passed in 1990, known as the Gann Initiative, established a restriction on the amount of tax revenue that can be appropriated in any fiscal year. The limit is based on actual appropriations during the 1978-79 fiscal year (base year), and is allowed to increase each year based upon the calculation using a percentage change in population as of January 1 of each year in conjunction with a change in the cost of living from previous fiscal year. The fiscal year 2022-2023 appropriations limit is $95,186,823. The City's FY 2022-2023 appropriation subject to the limit from proceeds of taxes is $47,936,729. Therefore, the City's appropriation is under the legal limit by $47,250,094.

Requested Action / Suggested Motions: Pass a Resolution establishing the Appropriation Limit for Fiscal Year 2022-2023 in compliance with Proposition 111 in the amount of $95,186,823.
Responsible Staff Member: Andrew Black, Financial Services Supervisor

Responsible Staff Member: Andrew Black, Financial Services Supervisor (530) 542-6016

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report - Appropriations Limit 2022-2023.docx
02-Resolution -2022-2023 Appropriations Limit.docx
03-Appropriations Limit 2022 2023 Worksheets

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Fiscal Year 2022-2023 Appropriation Limit

Location: Citywide

Responsible Staff Member: Andrew Black, Financial Services Supervisor (530) 542-6016

Background: Proposition 4 passed in 1979 and Proposition 111 passed in 1990, known as the Gann Initiative, created a restriction on the amount of revenue which can be appropriated in any fiscal year. The limit is based on actual appropriations during the 1978-79 fiscal year (base year) and is allowed to increase each year based upon the calculation using a percentage change in population as of January 1 of each year in conjunction with a change in the cost of living from previous fiscal year.

Issue and Discussion: Population estimates by the State Department of Finance as of January 1, 2022 indicate -1.44 percent change in the City and -0.32 percent change County-wide (Worksheet 5B). The per capita personal income (cost of living factor) changed by a ratio of 1.0755 from fiscal year 2021-2022. Only revenues referred to as “proceeds of taxes” are restricted by the limit. Proceeds of taxes for fiscal year 2022-2023 are calculated at $49,258,562 (Worksheet 2).

Financial Implications: The fiscal year 2022-2023 appropriations limit is $95,186,823 (Worksheet 4). The City’s appropriation subject to the limit from proceeds of taxes is $47,936,729. Therefore, the City’s appropriation is under the legal limit by $47,250,094.

Environmental Considerations: This is not a “project” subject to review under the California Environmental Quality Act (CEQA) Guidelines section 15378(b)(2) (continuing administrative or maintenance activities, such as purchases for supplies)

Policy Implications: Consistent with City’s Financial Policies

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Establishing the Appropriations Limit for the Fiscal Year 2022-2023 in Compliance with Proposition 111 in the Amount of $95,186,823

BACKGROUND

A. Article XIIIB of the California Constitution and Section 7910 of the Government Code of the State of California provide that the governing body of each jurisdiction shall by resolution establish its appropriation limit for the following fiscal year.

B. Proposition 111 approved in November 1990 now requires that the limit be calculated using new growth factors.

C. The City Council has reviewed the appropriate growth factors and does hereby choose the population growth within El Dorado County to better reflect the average daily population.

D. The City Council has reviewed the appropriate cost of living factors and does hereby choose the per capita personal income factor.

E. Documentation used in determination of the appropriations limit has been available to the public since September 19, 2022, in the Accounting Division, meeting the required fifteen (15) day period for public inspection as required by law.

F. The City Council of the City of South Lake Tahoe now desires to adopt said appropriations limit.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED by the City Council of the City of South Lake Tahoe that the appropriations limit for the Fiscal Year 2022-2023 in compliance with Proposition 111 is established as being $95,186,823.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

APPROPRIATIONS LIMIT 2022-2023

WORKSHEET # 1

	USER FEES	REVENUE BUDGET	DIVISION REVENUE TOTAL	EXPENSE BUDGET
10001730-34180	COPY CHARGES	50		
10001840-34032	IS SERVICES	46,000		
	TOTAL ACCOUNTING		46,050	1,585,340
10003110-34180	COPY CHARGES	50		
10003210-32116	TRANSPORTATION	1,500		
10003210-32120	ENCROACHMENT	140,000		
10003210-32118	OBSTRUCTION	800		
10003210-34135	PARCEL MERGE	6,000		
10003210-34150	ENGINEERING INPECTIONS	500		
10003210-34155	PLAN CHECK	500		
10002240-34230	FIRE PREVENTION SPECIAL INSPECT	20,000		
	TOTAL ENGINEERING		169,350	1,461,184
10003710-34xxx	PLANNING PERMITS	66,400		
	TOTAL PLANNING		66,400	535,060
10002210-34520	SERVICE CHARGES	200		
10002220-34223	FIRE SUPPRESSION FEES	10,000		
10002220-34260	EMS	0	Moved to 236-02262	
10002220-36283	OVERTIME REIMBURS.	250,000		
	TOTAL FIRE DEPARTMENT		260,200	8,242,534
10002110-32114	POLICE PERMITS	300		
10002110-34210	SPECIAL SVC	62,775		
10002110-34211	PD INCIDENTAL	21,000		
10002110-34213	BOOKING FEES	4,000		
10002150-33206	POST	50,000		
	TOTAL POLICE		138,075	13,223,803
10004105-34xxx	RECREATION ADMINISTRATION	0		
10004110-34xxx	GOLF COURSE	0		
10004130-34xxx	CAMPGROUND	420,000		
10004170-34xxx	PARK MAINTENANCE	67,500		
10004220-34xxx	RECREATION PROGRAMS	175,000		
10004225-34xxx	SPECIAL EVENTS	0		
10004230-34xxx	SENIOR CNTR	4,900		
	TOTAL PARKS & REC		667,400	3,237,750
			Revenues	Expenditures
	TOTAL GENERAL FUND USER FEES		1,347,475	28,285,671

APPROPRIATIONS LIMIT 2022-2023

WORKSHEET # 2

	GENERAL FUND REVENUE (less use of FB)	57,885,757		
	TOTAL GF REVENUES		**57,885,757**	
	TAXES			
Revenue	PROPERTY TAXES	9,650,000		
Summary	SALES TAX	17,600,000		
page	BUSINESS LICENSE	1,692,000		
	TOT Taxes	17,133,562		
31601and 31702	OTHER TAXES	570,000		
	TOTAL TAXES		46,645,562	
	REVENUE FROM STATE			
10001511-33201	Motor Vehicle in lieu	2,515,000	includes 33202	
10001511-33207	Off Highway Vehicles	0		
10001511-33204	HOPTR	78,000		
10001511-33208	MANDATES SB Reimburs.	20,000		
	TOTAL REVENUE FROM STATE		2,613,000	
	PROCEEDS OF TAXES			49,258,562
	NON TAX PROCEEDS			8,627,195
	TOTAL PROCEEDS	57,885,757		
	LESS INTEREST INCOME	100,000		
	NET	57,785,757		

	TOTAL	TAXES	NON-TAX
TOTAL	57,885,757	49,258,562	8,627,195
EXCLUSIONS (WORKSHEET # 7)	1,321,833	1,321,833	
INTEREST	100,000		100,000
NET	56,463,924	47,936,729	8,527,195
PERCENT	100%	85%	15%
ALLOCATION OF INTEREST	100,000	84,898	15,102
ADJUSTED TOTAL	56,563,924	48,021,627	8,542,297

APPROPRIATIONS LIMIT 2022-2023

INTEREST EARNINGS
PRODUCED BY TAXES

WORKSHEET # 3

CITY: South Lake Tahoe
FY: 2022-2023
BUDGET: ___X___ or ACTUAL: _____

	AMOUNT	SOURCE
A. NON-INTEREST TAX PROCEEDS	49,258,562	(Worksheet # 2)
B. MINUS EXCLUSIONS	1,321,833	(Worksheet # 7)
C. NET INVESTED TAXES	47,936,729	(A - B)
D. TOTAL NON-INTEREST BUDGET	56,463,924	(Worksheet # 2)
E. TAX PROCEEDS AS PERCENT OF BUDGET	0.84898	(C / D)
F. INTEREST EARNINGS	100,000	Budget or Actual
G. AMOUNT OF INTEREST EARNED FROM TAXES	84,898	(E * F)
H. AMOUNT OF INTEREST EARNED FROM NON-TAXES	15,102	(F - G)

I. Take the result of steps G and H
Copy on to worksheet # 2

APPROPRIATIONS SUBJECT

TO LIMITATION

WORKSHEET # 4

CITY: South Lake Tahoe
FY: 2022-2023
BUDGET: ___X___ or ACTUAL: _____

	AMOUNT	SOURCE
A. PROCEEDS OF TAXES	49,258,562	(Worksheet # 2)
B. EXCLUSIONS	1,321,833	(Worksheet # 7)
C. APPROPRIATIONS SUBJECT TO LIMITATION	47,936,729	(A - B)
D. CURRENT YEAR LIMIT	95,186,823	(Worksheet # 6)
E. OVER (UNDER) LIMIT	(47,250,094)	(C - D)

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent
Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio: $\frac{7.55 + 100}{100} = 1.0755$ **INFLATION FACTOR**

Population converted to a ratio: $-\frac{0.30 + 100}{100} = 0.997$

Calculation of factor for FY 2022-23: 1.0755 x 0.997 = 1.0723

WORKSHEET # 5B

Fiscal Year 2022-23

County City	Percent Change 2021-2022	--- Population Minus Exclusions --- 1-1-21	 1-1-22	Total Population 1-1-2022
El Dorado				
Placerville	0.09	10,636	10,646	10,646
South Lake Tahoe	-1.44	21,508	21,199	21,199
Unincorporated	-0.19	158,845	158,538	158,620
County Total	-0.32	190,989	190,383	190,465

$$\frac{-.32 + 100}{100} = .9968 \quad \text{POPULATION FACTOR}$$

POPULATION FACTOR:
The City may adjust its appropriations limit by either the percentage change in the City's own population growth, or the percentage change in the population growth for El Dorado County. The above factor represents the annual percentage change in population for El Dorado County.

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

APPROPRIATIONS LIMIT 2022-2023

WORKSHEET # 6

CITY: South Lake Tahoe
FY: 2022-2023
BUDGET: ___X___ or ACTUAL: _____

	AMOUNT	SOURCE
A. LAST YEAR'S LIMIT (21-22)	88,788,841	
B. ADJUSTMENT FACTORS		
1. Population %	0.9968	(Worksheet # 5B)
2. Inflation %	1.0755	(State Finance (Worksheet # 5A))
Total adjustment %	1.0721	(B1*B2)
C. ANNUAL ADJUSTMENT $	6,397,982	A*((B-1)*1)
D. OTHER ADJUSTMENTS:		
Prior Year Limit Correction (+)	0	
Sub-Total	0	
E. TOTAL ADJUSTMENTS	6,397,982	(C+D)
F. THIS YEAR'S LIMIT (22-23)	95,186,823	(A+E)

APPROPRIATIONS LIMIT 2022-2023

WORKSHEET # 7

EXCLUSIONS

				Budget
	FEDERAL MANDATES			
41119	ALL UNEMPLOYMENT INS	98,406		
41128-41129	ALL MEDICARE	286,427		
	TOTAL FEDERAL		384,833	
	STATE MANDATES			
10003410-44091	HAZARDOUS WASTE	9,000		
20103510-44091	HAZARDOUS WASTE	2,000		
20703610-44091	HAZARDOUS WASTE	2,000		
	TOTAL HAZ WASTE		13,000	
10002220-41040	FLSA OT (91% OF FIRE OT)	364,000		
20103510-33205	OVERLAY (Gas Tax Funds)	560,000		
	TOTAL STATE		924,000	
	GRAND TOTAL EXCLUSIONS			1,321,833

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 4

Agenda Item: City Conflict of Interest Code Update

Executive Summary: The Political Reform Act, Government Code Sections 87300 and 87306 and 2 Cal. Code of Regulations Section 18730, require public agencies to review and update their Conflict of Interest Codes by (at least) the end of each even-numbered year. It is necessary at this time to update the City's Conflict of Interest Code, Appendix A, due to eliminated positions, established classifications, and reclassifications over the past two years.

Requested Action / Suggested Motions: Pass a Resolution Updating the City Conflict of Interest Code.
Responsible Staff Member: Susan Blankenship, City Clerk

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Reviewed and Approved By:
Heather Stroud, City Attorney

Attachments:

01-Staff Report - Conflict of Interest Code.docx
02-Appendix A (Redline).pdf
03-Resolution - Conflict of Interest Code.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Conflict of Interest Code Update

Location: Citywide

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Background: The Political Reform Act, Government Code Sections 87300 and 87306 and 2 Cal. Code of Regulations Section 18730, requires public agencies to review and update their Conflict of Interest Codes by (at least) the end of each even-numbered year.

It is necessary at this time to update the City's Conflict of Interest Code, Appendix A, due to eliminated positions, established classifications and reclassifications over the past two years.

Designated employees are the persons holding positions listed in Appendix A who have been determined to make or participate in the making of decisions which may foreseeably have a material effect on economic interests. These designated employees are required to file Statements of Economic Interest (Form 700s) annually and upon assuming and leaving office with the California Fair Political Practices Commission (FPPC). Form 700 provides transparency and accountability by providing necessary information to the public about an official's personal financial interests to ensure that officials are making decisions in the best interest of the public, and it serves as a reminder to the public official of potential conflicts of interest so the official can abstain from making or participating in governmental decisions that are deemed conflicts of interest.

The City Clerk and City Attorney have reviewed the City's Conflict of Interest Code and set forth proposed amendments (02- Appendix A - Redline).

Financial Implications: The fiscal impacts associated with this State unfunded mandate include the City Clerk serving as the filing officer and administrator of the program, which includes notifying filers and ensuring that the Form 700 filings are completed and submitted by the State's prescribed deadlines and retaining of the filings in accordance with the City's adopted Records.

Policy Implications: Adoption of this resolution is consistent with the regulations set forth by the FPPC which are mandated upon public agencies and advances the public interest in transparency and accountability of City decisionmaking.

Appendix A

Position	Disclosure Category		
Accountant I/II	1		
Airport Land Use Commissioner	1		
Airport Manager	1		
Assistant City Attorney	1		
Arts, Culture and Tourism Commissioner			
Assistant to the City Manager			
Assistant/Associate/Principal Management Analyst		1	
~~Capital Improvements Program Manager~~	~~1~~		
~~Assistant Management Analyst~~	~~1~~		
Assistant/Associate/Senior Planner		1	
Assistant/Associate Civil Engineer		1	
Building / ADA Board of Appeals Commissioner	1		
Building Inspector	1		
Building Official	1		
Capital Program and Facilities Program Manager	1		
Chief of Police	1		
City Clerk	1		
Code Compliane Investigator	1		
Communicatons ~~Manager~~ and Projects Specialist	1		
Community Services Officer		1	
Community Services Officer Supervisor		1	
Complete Streets Program Manager			
Director of Development Services ~~Director~~		1	
Director of ~~Administrative Services~~Finance			1
Director of Parks & Recreation			
Director of Public Works	1		
Events Coordinator			
Engineerning Manager	1		
~~Financial Services Manager~~	~~1~~		
Fire Chief	1		
Fire Battalion Chief	1		
Fire Safety Inspector I/II	1		
Fire Marshall			
Fleet Supervisor	1		
GIS Analyst	1		
Housing Inspector	1		
Housing Manager	1		
Human Resources Manager	1		
Independent Citizens Oversight Board Member			
Information Technology Supervisor			
~~Network Systems Administrator~~	~~1~~		
~~Lead Community Service Officer~~	~~1~~		
Maintenance Manager	1		
Management Analyst	1		
Network Systems Administrator	1		
Office Manager			
Parks and Recreation Commissioner			
Principal Human Resources Analyst			

Planning Manager	1
Police Lieutenant	1
Police Sergeant (Code Enforcement)	1
~~Recreation~~Superintendent ~~Recreation~~ Recreation Manager	
Resident Engineer/Inspector	1~~1~~
Risk Manager~~1~~	
Senior Community Services Officer	
Senior/Primary Building Inspector	1
~~Senior Housing Inspector 1~~	
Sustainability Coordinator	
~~Stormwater Program Coordinator~~	1
*Consultants	1

Appendix B

Disclosure Category 1: Must report all interests in real property located within the jurisdiction, as well as investments, business positions and sources of income, including gifts, loans and travel payments.

*Consultants shall be included in the list of designated employees and may be required to file a State of California, Fair Political Practices Commission, Statement of Economic Interests form. If a consultant participates in making financial decisions, said consultant is required to disclose certain types of information so that the public can be made aware of any potential conflict of interest. This form must be filed each year and is a public document. However, the following limitation may apply:

The City Manger may determine in writing that a particular consultant, although a "designated position" is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

The following positions are NOT covered by this code, because they are required to file full disclosure with the Fair Political Practices Commission ~~(by way of the City Clerk)~~ under Section 872000, and therefore, are listed for informational purposes only:

City Councilmembers
City Attorney
City Manager
City Treasurer
City Planning Commissioners

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Updating the City's Conflict of Interest Code
(Replaces Resolution 2020-90)

BACKGROUND

A. The Political Reform Act of 1974, Government Code Section 87300, et seq., requires state and local government agencies to adopt and promulgate conflict interest codes.
B. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict of interest code.
C. Such standard terms can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Incorporates by reference the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, and adopts the the conflict of interest code comprised of the attached Appendix A, in which officials, boards and commission members and employees are designated, and Appendix B, in which disclosure categories are set forth.
2. Directs designated employees to file statements of economic interests with the City Clerk, all of which will be made available for public inspection and reproduction (upon request) pursuant to Government Code 81008.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022, by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

Appendix A

Position	Disclosure Category
Accountant I/II	1
Airport Land Use Commissioner	1
Airport Manager	1
Arts, Culture and Tourism Commissioner	1
Assistant City Attorney	1
Assistant to the City Manager	1
Assistant/Associate Civil Engineer	1
Assistant/Associate/Principal Management Analyst	1
Assistant/Associate/Senior Planner	1
Building / ADA Board of Appeals Commissioner	1
Building Inspector	1
Building Official	1
Capital Program and Facilities Program Manager	1
Chief of Police	1
City Clerk	1
Code Compliance Investigator	1
Communications and Projects Specialist	1
Community Services Officer	1
Community Services Officer Supervisor	1
Complete Streets Program Manager	1
Director of Development Services	1
Director of Finance	1
Director of Parks & Recreation	1
Director of Public Works	1
Engineering Manager	1
Events Coordinator	1
Fire Chief	1
Fire Battalion Chief	1
Fire Safety Inspector I/II	1
Fire Marshal	1
Fleet Supervisor	1
GIS Analyst	1
Housing Inspector	1
Housing Manager	1
Human Resources Manager	1
Independent Citizens Oversight Board Member	1
Information Technology Supervisor	1
Maintenance Manager	1
Management Analyst	1
Network Systems Administrator	1
Office Manager	1
Parks and Recreation Commissioner	1
Planning Manager	1
Police Lieutenant	1
Police Sergeant (Code Enforcement)	1
Principal Human Resources Analyst	1
Recreation Manager	1
Resident Engineer/Inspector	1
Risk Manager	1
Senior Community Services Officer	1
Senior/Primary Building Inspector	1
Sustainability Coordinator	1
*Consultants	1

Disclosure Category 1: Must report all interests in real property located within the jurisdiction, as well as investments, business positions and sources of income, including gifts, loans and travel payments.

*Consultants shall be included in the list of designated employees and may be required to file a State of California, Fair Political Practices Commission, Statement of Economic Interests form. If a consultant participates in making financial decisions, said consultant is required to disclose certain types of information so that the public can be made aware of any potential conflict of interest. This form must be filed each year and is a public document. However, the following limitation may apply:

The City Manager may determine in writing that a particular consultant, although a "designated position" is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

The following positions are NOT covered by this code, because they are required to file full disclosure with the Fair Political Practices Commission under Section 87200, and therefore, are listed for informational purposes only:

City Councilmembers

City Attorney

City Manager

City Treasurer

City Planning Commissioners

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 5

Agenda Item: Ordinance Amending Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles (Second Reading)

Executive Summary: On September 20, 2022, City Council held a first reading of this Ordinance and referred the second reading to this meeting for adoption. The proposed ordinance would establish a municipal use and commercial ban on single-use plastic water bottles smaller than one gallon, to be phased in over time. The municipal use ban would be effective on April 22 (Earth Day), 2023, and the commercial ban would be effective one year later, on April 22, 2024. The proposed ordinance also removes exceptions for hardship and polystyrene raw food packaging, makes the City the enforcement agency for the state's Single-Use Foodware Accessories and Condiments law, and makes other edits for clarity and consistency with state laws that came into effect after the City's original ordinance was adopted in 2018.

Requested Action / Suggested Motions: Pass an Ordinance Amending 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles.
Responsible Staff Members: Heather Stroud, City Attorney and Sara Letton, Sustainability Coordinator

Responsible Staff Member: Heather Stroud, City Attorney (530) 542-6046
Sara Letton, Sustainability Coordinator (530) 542-6175

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance

Attachments:

01 - Staff Report.docx
02 - Ordinance Amending Chapter 4.175.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Ordinance Amending Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles (Second Reading)

Location: Citywide

Responsible Staff Member: Heather L. Stroud, City Attorney (530) 542-6046
Sara Letton, Sustainability Coordinator (530) 542-6175

Background: Single-use plastics are a significant source of waste and pollution because of the sheer volume of these products produced and used by consumers and the long amount of time they exist in the environment after their short useful life ends. Single-use plastics are generally defined as goods made primarily from petrochemicals that are meant to be disposed of right after use. These include items such as plastic straws, coffee stir sticks, shopping bags, beverage bottles, and packaging. Discarded plastics are particularly damaging to water quality because they don't really break down or decompose; they just break apart eventually into microplastics that end up washed downstream into waterbodies. The University of California Davis's Tahoe Environmental Resource Center (TERC) has been leading a study of the effects of microplastics in Lake Tahoe, and in 2020, found plastic in almost every sample taken from beaches around the Lake. Because no wastewater is discharged to Lake Tahoe, most of the microplastic waste appears to be coming from plastic litter, especially plastic bottles and bags.

The City's location in the Lake Tahoe Basin makes us stewards of this internationally treasured resource. The City Council has recognized waste management and stewardship as priority Goal 3.4 in the 2021-2026 Strategic Plan, which includes Action Item 4, to "evaluate the option to ban certain single-use plastics, especially water bottles."

The City has already taken significant steps in regulating single-use plastics:

- In 2013, the City Council became one of the first cities in California to regulate single-use plastic bags, by adopting Ordinance No. 1061.

- In 2018, the City Council adopted the Polystyrene and Plastic Food Packaging Regulations, codified at South Lake Tahoe City Code chapter 4.175. This ordinance prohibits "food providers" from providing plastic utensils, straws, or stirrers except upon request, and from providing polystyrene food containers. It also prohibits vendors from selling polystyrene products including coolers, cups, bowls, plates, and packing peanuts, and prohibits the use of polystyrene at City facilities and special events.

- In 2021, the City Council repealed its single-use plastic bag regulations to instead follow state law adopted in 2016, which is applicable to more types of establishments.

Additionally, the California Legislature has been active in regulating single-use plastics in recent years:

- In 2016, the state implemented a single-use plastic bag ban, codified in Public Resources Code sections 42280-42288. This law prohibits most grocery stores, large retail stores with a pharmacy, and convenience stores that sell food and alcoholic beverages from providing their customers with bags designed for a single use only, unless those bags are made with recycled paper. These stores may provide customers with certified reusable grocery bags and must charge at least 10 cents for each reusable plastic or recycled paper bag. Cities may enforce the state law with civil penalties up to $1,000 per day. As mentioned above, the City follows this law.

- In 2021, the Legislature passed the Single-Use Foodware Accessories and Condiments law, codified at Public Resources Code sections 42270-42273, which became effective on January 1, 2022. This law prohibits a “food facility” from providing single-use plastic items except on request. This covers items such as utensils, straws, stirrers, and condiment cups and packets. This law requires cities to designate an enforcement agency with $25 fines for each day in violation, up to $300 per year. The law includes a savings clause that allows cities to adopt stricter regulations.

- Senate Bill 54, titled the Plastic Pollution Producer Responsibility Act, was signed by the Governor this summer. This bill prohibits the sale, distribution, or importing into California any single-use, non-recyclable or non-compostable disposable packaging and food ware service products manufactured after January 1, 2032.

On June 7, 2022, the City Council heard a presentation on this item and provided direction to bring back an ordinance to further restrict the use of single-use plastics, especially single-use plastic water bottles. On September 20, 2022, City Council passed a motion by a vote of 5-0 to hold a first reading of the ordinance and refer the second reading to the meeting on October 4, 2022.

Issue and Discussion:
The proposed amendments to the City’s Polystyrene and Plastic Food Packaging Regulations accomplish the following in accordance with previous City Council direction:

- Prohibits single-use water bottles of less than one gallon, at City facilities and permitted temporary activities and special events. This municipal use ban is effective on April 22 (Earth Day), 2023. See § 4.175.050(A).

- Prohibits sale of single-use plastic water bottles of less than one gallon within the City of South Lake Tahoe. This commercial ban is effective on April 22 (Earth Day), 2024. See § 4.175.050(B).

- Removes exceptions for hardship and polystyrene raw food packaging that are currently in § 4.175.050.

- Takes on City enforcement role for state Single-Use Foodware Accessories and Condiments law. See § 4.175.060(C).

- Makes other edits for clarity and consistency with new state laws, including updates to definitions.

These amendments, except for the single-use plastic water bottle municipal use and commercial ban which are phased in through April 2024, would be effective on January 1, 2023. The League to Save Lake Tahoe has assisted with outreach efforts on this ordinance in the past and has indicated a willingness to partner on outreach on these amendments this Fall.

The phased approach to the municipal use and commercial bans will allow time develop alternatives for accessible drinking water. For example, the City will be looking at installing water bottle refilling stations at City parks and/or acquiring portable water refilling stations for use at City events and permitted special events and temporary activities. Grant funding from CalRecycle and Take Care Tahoe may be available to offset some of the costs.

Financial Implications: Staff is evaluating the cost of installing water bottle refilling stations and acquiring portable water refilling stations.

Environmental Considerations: This ordinance is exempt from environmental review under California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15307 (actions by regulatory agencies for protection of natural resources) and 15308 (actions by regulatory agencies for protection of the environment).

Policy Implications: This item advances progress on Strategic Plan Goal 3.4, Waste Management and Stewardship, Action Item 4 “Evaluate the option to ban certain single-use plastics, especially water bottles.” In addition to reducing the amount of plastic waste and microplastics in the Lake Tahoe Basin, these amendments would have the added benefit of reducing greenhouse gas emissions consistent with the City’s Climate Action Plan. Because of South Lake Tahoe’s relatively remote location, transporting single-use plastic water bottles to South Lake Tahoe for consumption and transporting empty bottles to Nevada for recycling, which is only one part of the life cycle of a single-use plastic water bottle, generates a significant amount of greenhouse gases.

Ordinance 2022-XXX

Adopted by the City of South Lake Tahoe City Council

October 4, 2022

An Ordinance Amending Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles

FINDINGS

A. The City of South Lake Tahoe has the police power under article XI, §7 of the California Constitution to protect the health, safety, and welfare of the community, including the ability to protect and enhance the natural environment.

B. The City of South Lake Tahoe shares approximately 4.5 miles of shoreline with Lake Tahoe, which is the largest alpine lake in North America and at 1,645 feet, is the second deepest lake in the United States after Crater Lake in Oregon. Lake Tahoe was formed about 2 million years ago and is known for the clarity of its water, with objects visible over 70 feet deep in some places. The Lake Tahoe Basin is home to a range of wildlife including black bears, bald eagles, osprey, and 24 species of native and non-native fish.

C. Lake Tahoe is also a major tourist attraction, with approximately 15 million visitors each year. South Lake Tahoe is the most densely populated area and the only incorporated city in the Lake Tahoe Basin.

D. On April 3, 2018, City Council adopted Ordinance No. 1117 establishing South Lake Tahoe City Code chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations), which became effective on October 1, 2018.

E. On October 20, 2020, the City Council passed Resolution No. 2020-097 adopting the Climate Action Plan “to help the City achieve its goals to reduce its greenhouse gas emissions” and “demonstrate environmental leadership that has been a benchmark of the Tahoe Basin.” The Climate Action Plan includes Action WA-3 to implement waste and climate change education, including “helping to create and publicize a waste reduction pledge from community partners that interact with visitors” and “supporting the creation of local life cycle analyses, specifically of recycling plastics vs. landfilling plastics.”

F. The City Council has recognized waste management and stewardship as priority Goal 3.4 in the 2021-2026 Strategic Plan, which includes Action Item 4, to “evaluate the option to ban certain single-use plastics, especially water bottles.”

G. In October 2021, Governor Newsom signed into law California Assembly Bill (AB) 1276 which prohibits food facilities from providing any single-use foodware or condiment package unless requested by the customer. AB 1276, codified at California Public Resources Code sections 42270-42273 (“Single-Use Foodware Accessories and Condiments”), requires the City to authorize an enforcement agency to enforce these new state requirements, and this Ordinance authorizes the City to be the enforcement agency.

H. Between 2014-2021, the League to Save Lake Tahoe held 172 community clean-up events around Lake Tahoe at which volunteers picked up 5,702 plastic bottles and 14,296 bottle caps, approximately half of which were plastic.

I. Discarded plastics are particularly damaging to water quality because they break apart into microplastics, defined as plastic fragments less than 5 millimeters in length, which end up washed downstream into waterbodies. Researchers from the University of California at Davis Tahoe Environmental Research Center (TERC) have been leading a study on the effects of microplastics in Lake Tahoe and in 2020, found plastic in almost every sample taken from beaches around the Lake. Because no wastewater is discharged to Lake Tahoe, most of the microplastics appear to be coming from plastic litter, especially plastic bottles and bags. TERC is studying the extent of harm from microplastics on freshwater ecosystems.

J. Especially because of South Lake Tahoe’s relatively remote location, the life cycle of single-use plastic water bottles generates a significant amount of greenhouse gases in South Lake Tahoe, even if they are properly disposed of and recycled. Based on data received from the City’s franchise waste hauler South Tahoe Refuse, an average of 209,372 pounds per year of plastic bottles (PET #1) have been hauled to its recycling facility in Nevada over the past three years (2019-2021). While not all of these are single-use water bottles, and South Tahoe Refuse does not track this data, anecdotally, single-use water bottles make up a significant share of PET #1 bottles. Assuming that these bottles originated at a distribution center in Sacramento, the greenhouse gases generated from just transporting the bottles from Sacramento to South Lake Tahoe and then to the recycling center in Nevada amount to approximately 205 metric tons of carbon dioxide equivalent per year. For single-use water bottles, this figure does not include the additional greenhouse gases generated by getting water to the bottling plant, hauling bottled water to the distributor, or manufacturing and recycling the plastic bottles.

K. South Lake Tahoe enjoys excellent quality drinking water. The Tahoe Water Suppliers Association (TWSA), which includes California and Nevada municipal water agencies, provides outstanding, pure source water even before treatment, and its members have 6 of the total 60 “filtration avoidance” permits given among the 160,000 public water systems in the United States. The TWSA and Take Care Tahoe have initiated the “Drink Tahoe Tap” campaign to encourage residents and visitors to forego bottled water in favor of local tap water, in part to reduce waste and plastic pollution.

L. On June 7, 2022, City Council received a presentation regarding potential amendments to the Polystyrene and Plastic Food Packaging Regulations and provided direction to staff to bring this Ordinance back for discussion.

Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:

SECTION 1. Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) is hereby amended to read as follows:

4.175.010 Purposes.
4.175.020 Definitions.
4.175.030 Polystyrene ban.
4.175.040 Plastic single-use foodservice ware ban.
4.175.050 Single-use plastic water bottle ban.
4.175.060 Enforcement and violation – Penalty.
4.175.070 Severability.

4.175.010 Purposes.
The purpose of this chapter is to regulate the use of certain single-use expanded polystyrene and plastic products in order to reduce and prevent the presence of this type of litter in the environment and prevent this type of litter, including microplastics, from polluting Lake Tahoe and to promote environmentally sustainable practices that limit the amount of waste and greenhouse gases produced in the city of South Lake Tahoe.

4.175.020 Definitions.
“Expanded polystyrene” or “EPS” means a foam material made of blown polystyrene, and expanded and extruded foams (sometimes called Styrofoam) which are thermoplastic petrochemical materials utilizing a styrene monomer which is often used to hold prepared food.

“Expanded polystyrene products” means any items such as coolers, ice chests, cups, bowls, plates, clamshell containers, shipping boxes, packing peanuts, packaging materials or any other merchandise made from expanded polystyrene that is not wholly encapsulated or encased by a more durable material.

“Food provider” generally means any vendor, business, organization, entity, group, or individual that offers food or beverages to the public for consumption on or off premises, regardless of whether there is a charge for the food. “Food provider” typically includes restaurants, retail food establishments, caterers, cafeterias, stores, shops, sales outlets, grocery stores, delicatessens, itinerant restaurants and mobile food vendors.

“Prepared food” means any food, including beverages, which is served or prepared for consumption, including ready-to-eat and takeout food. “Prepared food” does not include raw, butchered meats, fish and/or poultry sold from a butcher case or similar food establishment.

“Plastic” means a synthetic or semisynthetic material chemically synthesized by the polymerization of organic substances that can be shaped into various rigid and flexible forms, and includes coatings and adhesives, and includes, without limitation, polyethylene terephthalate (PET), high density polyethylene (HDPE), polyvinyl chloride (PVC), low density polyethylene (LDPE), polypropylene (PP), polystyrene (PS), polylactic acid (PLA), and aliphatic biopolyesters, such as polyhydroxyalkanoate

(PHA) and polyhydroxybutyrate (PHB). “Plastic” does not include natural rubber or naturally occurring polymers such as proteins or starches.

“Single-use” means designed to be used once and then discarded, and not designed for repeated use and sanitizing.

“Single-use foodservice ware” means all of the following single-use items containing or provided alongside prepared food: cups, bowls, plates, trays, cartons, clamshell containers, cup lids, utensils (forks, knives, spoons, and sporks), chopsticks, condiment cups and packets, straws, stirrers, splash sticks, and cocktail sticks.

“Single-use plastic water bottle” means a single-use plastic container of less than one gallon containing non-sparkling, unflavored drinking water.

“Vendor” means any store or business which sells or offers goods or merchandise, located or operating within the city of South Lake Tahoe, including those referenced in “Food provider.”

4.175.030 Polystyrene ban.

A. No food provider shall sell or otherwise provide prepared food in EPS single-use foodservice ware.

B. No vendor shall sell or otherwise provide EPS foodservice ware or expanded polystyrene products.

C. No person shall distribute EPS foodservice ware or expanded polystyrene products at a city facility or city-affiliated event, and all city concessionaires, lessees, licensees, and permittees for facility use, special events, and temporary activities shall comply with this section. No city funds shall be used to purchase expanded polystyrene products.

D. Products made from expanded polystyrene which are wholly encapsulated or encased by a more durable material are exempt from the provisions of this section. Examples include surfboards, life preservers, and craft supplies which are wholly encapsulated or encased by a more durable material, and coolers encased in hard plastic.

4.175.040 Plastic single-use foodservice ware ban.

No food provider shall sell or otherwise provide plastic single-use foodservice ware except upon request.

4.175.050 Single-use plastic water bottle ban.

A. Effective April 22, 2023, no person shall distribute single-use plastic water bottles at a city facility or city-affiliated event, and all city concessionaires, lessees, licensees, and permittees for facility use, special events, and temporary activities shall comply with this section. No city funds shall be used to purchase single-use plastic water bottles.

B. Effective April 22, 2024, no vendor shall sell single-use plastic water bottles in the City of South Lake Tahoe.

C. The provisions of this section shall not apply in cases of emergency or other city situations where the city manager finds that relying on single-use plastic water bottles is necessary to protect the public health, safety, and welfare, and no reasonable

alternative would serve the same purpose, including lack of available potable water due to a natural disaster.

4.175.060 Enforcement and violation – Penalty.

A. A violation of any provision of this chapter by any person, food provider or vendor is subject to the following administrative fines, which shall be appealable pursuant to the procedures in chapter 2.30 of this code.

1. A fine not exceeding $100.00 for a first violation.

2. A fine not exceeding $200.00 for a second violation of this chapter within one year.

3. A fine not exceeding $500.00 for each additional violation of this chapter within one year.

B. In addition to other remedies provided by this chapter or by other law, any violation of this chapter may be remedied by a civil action brought by the city attorney, including but not limited to administrative or judicial nuisance abatement proceedings, civil or criminal code enforcement proceedings, and suits for injunctive relief. The remedies provided by this chapter are cumulative and in addition to any other remedies available at law or in equity.

C. The city is the authorized enforcement agency for violations of Chapter 5.2 of Part 3 of Division 30 of the California Public Resources Code (Single-Use Foodware Accessories and Condiments). Such violations are subject to a fine of $25 for each day in violation not exceeding $300 per year, which shall be appealable pursuant to the procedures in chapter 2.30 of this code.

4.175.070 Severability.

If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid or ineffective by any court of competent jurisdiction, or by reason of any preemptive legislation, that invalidity shall not affect the validity of the remaining provisions of this chapter. The city council declares that it would have passed this chapter and each section, subsection, subdivision, sentence, clause and phrase, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases or words be declared invalid.

SECTION 2. The City Council finds that adoption of the proposed Ordinance is exempt from review under the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15061(b)(3) (common sense exemption that CEQA does not apply to projects where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment), 15307 (Actions by Regulatory Agencies for Protection of Natural Resources) and 15308 (Actions by Regulatory Agencies for Protection of the Environment) because it is an action taken by the City in its regulatory capacity to protect natural resources and the environment. Adopting the proposed Ordinance would protect the environment by reducing plastic and polystyrene waste and reducing greenhouse gas emissions from transporting and recycling single-use plastic water bottles.

SECTION 3. The City Clerk is directed to certify this Ordinance and cause it to be published in the manner required by law.

SECTION 4. This Ordinance shall become effective on January 1, 2023.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Devin Middlebrook, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading:
Published:
Second Reading:
Effective:

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 6

Agenda Item: CalRecycle Beverage Container Recycling Grant Program Application

Executive Summary: The CalRecyle Beverage Container Recycling Program provides funding to promote increased recycling of beverage containers throughout California and reduce the beverage container litter in the waste stream. There is no match requirement. The program has $1,500,000 available for each fiscal year (FY) 2022-23 and 2023-24, and allows for grants of up to $275,000.

Requested Action / Suggested Motions: Pass a Resolution authorizing submittal of a grant application to CalRecycle for up to $275,000 to purchase and install water bottle refilling stations.
Responsible staff Member: Sara Letton, Sustainability Coordinator

Responsible Staff Member: Sara Letton, Sustainability Coordinator, (530) 542-6175

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01 - Staff Report CalRecycle BCR Grant 2022.docx
02_-_Resolution_CalRecycle_Grant_2022.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: CalRecycle Beverage Container Recycling Grant Program

Location: Citywide

Responsible Staff Member: Sara Letton (530) 542-6175

Background: CalRecycle has issued a grant opportunity for the Beverage Container Recycling Program authorizing $3 Million for the program, with $1,500,000 available for each fiscal year (FY) 2022-23 and 2023-24. The purpose of the grant program is to "promote increased recycling of beverage containers throughout California and reduce the beverage container litter in the waste stream."

Staff presented a first reading of a draft ordinance on September 20, 2022 about banning single-use plastic water bottles. Staff recommended applying for grants in order to help fund and install more water bottle refilling stations because it demonstrates a good faith effort on the City's behalf in encouraging this behavior change toward lessening reliance on single use plastic water bottles. The grant submission period is currently open with a deadline approaching on October 18, 2022.

Issue and Discussion: The grant program has specifically included as an eligible cost, "purchase of water refill stations, including the installation, education and outreach, or replacement of infrastructure, plumbing, maintenance, additional attachments or modifications." Staff is proposing to prepare a grant application that will purchase and install permanent water bottle refill stations at high-use city properties where plumbing is appropriate. Staff also propose purchasing and assembling "portable water bottle refilling stations" similar to those that are designed by the Tahoe Water Suppliers Association and deployed in various places across the basin by Take Care Tahoe. The City Parks and Recreation Department plans to store and maintain the portable stations, which have four refill spigots per cart, for events on City property.

Influencing behavior change will take time and resources toward education and outreach. A grant application allows for up to 25% of total project costs to be utilized for this purpose. In addition to some coordinated messaging by Staff, the grant will include a line item for a subcontract to a local nonprofit to develop a higher level, coordinated outreach and education campaign.

Staff is proposing a grant application to fund the cost of purchase and installation of 4-8 permanent outdoor and indoor stations, as well as the cost of parts and assembly of 5 portable stations, and outreach and education services. Staff are currently in planning and discussion for targeting the exact sites on City properties including beaches, parks, and the Transit Center area.

Financial Implications: Staff is proposing a grant application not to exceed $275,000. No matching funds are required by the funder.

Environmental Considerations: The appropriation of funds for the projects mentioned above is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA Guidelines (existing facilities).

Policy Implications: This project advances the City's Strategic Priority 3.4, "*Develop a culture of stewardship and care taking by residents and visitors and coordinate with regional partners to reduce the amount of litter impacting the environment. Reduce the source of litter by increasing availability of trash cans in public, banning single use plastics, installing water bottle filling stations and bear boxes in the community. Reduce the amount of waste reaching the landfill through recycling and other efforts*."

It also supports Climate Action Plan Strategy 12, Action WA-2: "*Implement waste and climate change education program*", which includes "*creating marketing campaigns and local advertisement to increase a culture of sustainability*."

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Approval of Grant Application to CalRecycle Beverage Container Recycling Program

BACKGROUND

A. Public Resources Code sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment.

B. In furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants.

C. CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

D. The Department of Resources Recycling and Recovery (CalRecycle) administers a program making $3 Million available in support of increasing recycling of beverage containers throughout California and reducing the beverage container litter in the waste stream.

E. The program specifically allows for purchase of water refill stations, including the installation, education and outreach, or replacement of infrastructure, plumbing, maintenance, additional attachments or modifications.

F. On September 20, 2022, City Council has heard a first reading of a draft ordinance amending Chapter 4.175 (Polystyrene and Plastic Food Packaging Regulations) of the South Lake Tahoe City Code to Establish a Municipal Use and Commercial Ban on Single-Use Plastic Water Bottles. During the staff presentation of the draft ordinance, staff reported that the CalRecycle Beverage Container Recycling Grant program could support the behavior change necessary for successful enactment of the proposed ordinance.

G. The installation of permanent water bottle refilling stations, and the deployment of portable stations at City events, along with education and outreach, supports City

priorities (Strategic Plan 3.4 and Climate Action Plan Strategy WA-2) independently of the adoption of a single-use plastic water bottle ban.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Authorizes the submittal of application(s) to CalRecycle for CalRecycle Beverage Container Recycling Grant Program application for an amount up to $275,000.

2. Authorizes the City Manager or designee to execute in the name of the City of South Lake Tahoe, all grant documents, including but not limited to, applications, agreements, amendments, and requests for payment, necessary to secure grant funds and implement the approved grant project.

3. Recognizes these authorizations are effective for five years from the date of adoption of this resolution.

4. Agrees to comply with all applicable federal, state, and local laws, ordinances, rules, regulations, and guidelines.

5. If awarded, authorizes acceptance of grant funds up to $275,000 to be appropriated into the Parks and Recreation Department budget as follows:
   Revenue: 100-04170-33324
   Expenses: 100-04170-xxxxx

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____
Devin Middlebrook, Mayor
Attest:

_____
Susan Blankenship, City Clerk
The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 7

Agenda Item: Acceptance of Tahoe Regional Planning Agency Mitigation Funding for the Tahoe Valley Stormwater and Greenbelt Improvement Project

Executive Summary: At their September meeting, the Tahoe Regional Planning Agency (TRPA) Governing Board approved Public Works' request for the release of $827,548.45 in mitigation funding to be used for construction of the Tahoe Valley Stormwater and Greenbelt Improvement Project. The TRPA Mitigation Funds are eligible local match funding that will be applied to the State Water Resources Control Board, Proposition 1 implementation grant local contribution requirement.

Requested Action / Suggested Motions: Pass a Resolution accepting and appropriating Tahoe Regional Planning Agency (TRPA) Water Quality Mitigation Funding ($540,152.48) and Air Quality Mitigation Funding ($200,000) and transferring $87,395.97 from the completed Upper Truckee River Restoration Project to the Tahoe Valley Stormwater and Greenbelt Improvement Project for construction.
Responsible Staff Members: Stan Hill, Engineering Manager and Jason Burke, Complete Streets Manager

Responsible Staff Member: Stan Hill, Engineering Manager (530) 542-6039
Jason Burke, Complete Streets Manager (530) 542-6038

Reviewed and Approved By:
Anush Nejad, Director of Public Works
Olga Tikhomirova, Finance Director
Susan Blankenship, City Clerk
Heather Stroud, City Attorney
Joseph Irvin, City Manager

Attachments:

01 - Staff Report - TRPA Mitigation Funds.docx
02-Project Location Map.pdf
03-Resolution-2022-099.pdf
04 - Resolution TRPA Funding.doc

City of South Lake Tahoe
Report to City Council

Meeting Date: October 4, 2022

Title: Accept and Appropriate TRPA Mitigation Funding for the Tahoe Valley Stormwater and Greenbelt Improvement Project

Location: Tahoe Valley drainage watershed, inclusive to the "Greenbelt" area located behind "The Crossing" (AKA "factory stores") at the South Y and the drainage watershed extending between west F Street to Tahoe Keys Blvd (see Attachment 02-Project Location Map)

Responsible Staff Member: Stan Hill, Engineering Manager (530) 542-6039

Background: The Tahoe Valley Greenbelt and Stormwater Improvement Project (Tahoe Valley) is a vital community and environmental improvement project. Based on feedback from the public received during the Area Plan process, and subsequent design meetings and public survey for the Greenbelt area, the project has been developed to provide the benefits requested by the community and stakeholders. Previous staff reports have listed out the various Project benefits. In the interest of reducing redundancy within this staff report, readers interested in project benefits are directed to previous Tahoe Valley staff reports involving City Council action.

Due to the size and diversity of the overall project, the City has split the project into two phases in order to secure funding from a variety of eligible and applicable funding sources. The currently funded portion (Phase 1) consists of stormwater and water quality improvement work upstream (Bonanza neighborhood) and downstream (James, Eloise to Tahoe Keys Blvd.) with the Central Greenbelt Area (behind the Crossings) spanning from Emerald Bay Road at B Street to Hwy 50 at 4th Street.

Public Works is still seeking construction funding for the central greenbelt portion of the Project area (Phase 2). Phase 2 consists of public park amenities in upland areas surrounding areas of expanded SEZ restoration and a 'mountain meadow' themed meandering stormwater treatment system. Proposed improvements include new bicycle and pedestrian trails, two sections of elevated boardwalk over SEZ, dark-sky compatible lighting, public gathering places and future public art locations.

Issue and Discussion: Project construction funding for the Tahoe Valley Project is being acquired through several funding sources. On September 2, 2022, a $6,922,904 Proposition 1 implementation grant agreement was executed between the City and the State Water Resources Control Board (SWRCB). The grant agreement requires a local funding contribution of $1,869,035.

On August 9, 2022, City Council passed and adopted Resolution 2022-099, appropriating $706,442 of undesignated general reserve funding to the Tahoe Valley project (Attachment 03). That local match contribution will partially offset the SWRCB local match requirement; however, additional local match is needed to fulfill the SWRCB grant match contribution requirement.

TRPA collects permit fees from development applications throughout the Tahoe Basin. Development fees acquired on properties located within the city limits are available for use on City environmental improvement program (EIP) projects which include the Tahoe Valley project. The mitigation fees TRPA collects are intended to offset environmental impacts to Air Quality, Stream Environment Zone (SEZ), and Water Quality.

Financial Implications: Public Works recently requested the disencumbering of TRPA Mitigation Funds from two completed EIP projects and requested the release of an additional $200,000 of Air Quality Mitigation Funds. The TRPA Mitigation Funds will fund Project construction and it will also qualify as local match contribution. At their September Governing Board meeting, TRPA approved the City's request for the release of TRPA Mitigation Funding in the sums listed in Table 1.

Table 1 – TRPA Mitigation Funding

Mitigation Account	Description	Amount
Water Quality	Unspent Construction Budget Release	$540,152,48
SEZ	Transfer from Upper Truckee River Restoration Project	$87,395.97
Air Quality	New Mitigation Funding Release Request	$200,000.00
	Total Funding Release Request:	**$827,548.45**

In 2019, Southwest Gas completed the replacement of "vintage steel" gas mains and gas service lines within the Bonanza neighborhood (F Street to Lake Tahoe Blvd). The City's Public Improvements and Engineering Standards (PIES) required Southwest Gas to mill and overlay the pavement areas where they replaced the gas main and service laterals. However, Southwest Gas preferred to enter a "payment in-lieu of paving" fee agreement with the City. In-lieu fees will be applied to Tahoe Valley pavement rehabilitation expenses which are included within the recently awarded construction contract with Herback General Engineering.

Following street cutting and installation of the Tahoe Valley, Phase 1 storm drain system, paving of the affected Bonanza neighborhood streets will be timely. Use of the Southwest Gas "payment in-lieu of paving" fees for a "mill and overlay" pavement treatment also provides an opportunity to meet the City's local match contribution. Table 2 list the funding sources that can be used to meet the SWRCB local match contribution. The local match balance of $90,705.45 will be applied to the Phase 2 construction budget and may be used to meet local match contribution requirements of a future Phase 2 grant.

Table 2 – Local Match Contribution Summary

Funding Source	Amount
City Undesignated General Reserve	$706,442.00
TRPA Mitigation Funding	$827,548.45
Pavement Rehabilitation - S.W. Gas Payment in-lieu of Paving Fees	$425,750.00
Total Local Funding Contribution:	**$1,959,740.45**

Actions defined within the accompanying resolution include the acceptance of TRPA Mitigation Funds for construction expenses and transferring of the remaining SEZ Mitigation Fund balance from the completed Upper Truckee River Restoration Project construction budget over to the Tahoe Valley project.

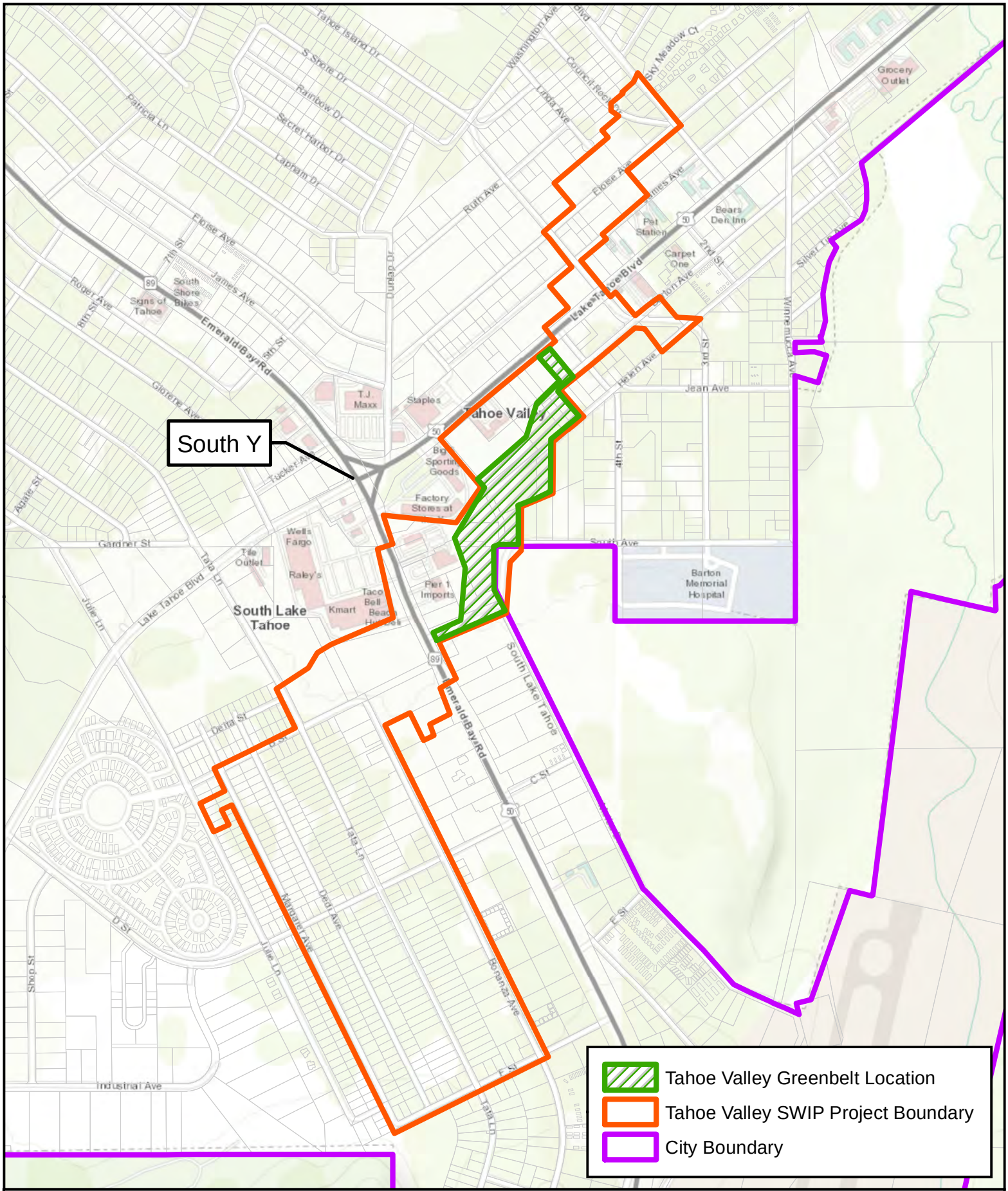
Environmental Considerations: The Planning Commission adopted the CEQA, Mitigated Negative Declaration on May 9, 2019, SCH# 20190292152. Adding the Urgent Care parcel to the Project will require an amendment to the approved CEQA MND. The Conservancy has committed to completing the CEQA MND amendment and has scheduled the adoption by the Conservancy Board at their December Board meeting. Construction will not commence until the MND amendment is approved.

Policy Implications: Completing project improvements will assist with meeting the sediment and nutrient reductions mandated by the Lake Tahoe Total Maximum Daily Load (TMDL) program. Fulfilling mandated TMDL reduction goals will assist with maximizing residential housing allocations under TRPA Code section 50.5.2.E.2 (Distribution and Administration of Residential Allocations – TMDL Implementation). The Project advances the City Council Strategic Priorities and Goals, specifically:

- **Action Item 1.4 (Transportation)** to prioritize implementation of mixed-use recreational trails and Class 1 bike trails and closing gaps in the bicycle trail system.

- **Action Item 2.3 (Connectivity)** to facilitate implementation of trail infrastructure prioritizing the connection of bicycle and walking trails, from neighborhoods near the Greenbelt to the South Y commercial area and beyond.
- **Action Item 5.3 (Infrastructure and Maintenance)** by actively seeking funding to develop sustainable infrastructure projects, based on the prioritized capital improvement project list.

The project will also provide greenhouse gas reduction benefits, providing progress on Action #WB-1 of the 2020 Climate Action Plan: Improve bicycle and pedestrian networks.



CITY OF SOUTH LAKE TAHOE

Department of Public Works - Engineering Division

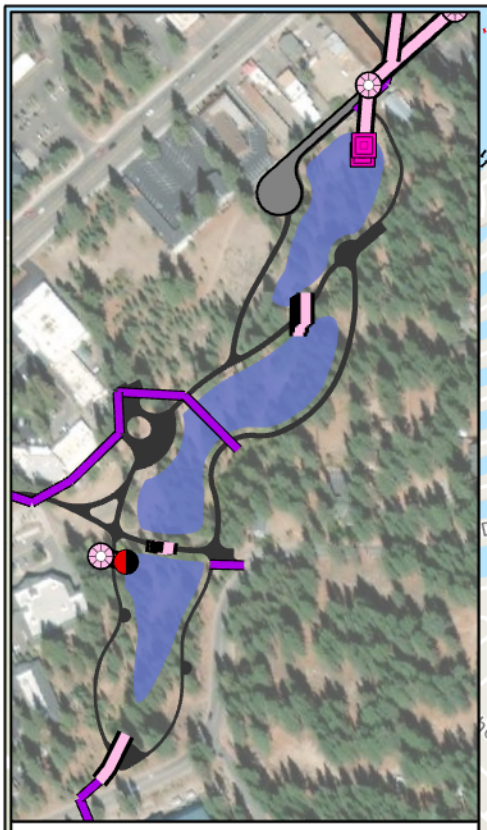
Tahoe Valley Storm Water Improvement Project Area Map

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Feet

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Detailed view of Greenbelt

Water Flow

Eloise Basin
James Basin
Helen Basin
Central Greenbelt
Upper Greenbelt
Bonanza Basin
Dedi Basin
Margaret Basin
Upper Bonanza Basin

Tahoe Valley
South Lake Tahoe
Lake Valley
Al Tahoe
Truckee Marsh
Tahoe Keys Marina
Gardner Mountain
Barton Memorial Hospital
Lake Tahoe Airport
Upper Truckee River

6243 ft
6265 ft
6368 ft

Tahoe Keys Blvd
Bellevue Ave
El Dorado Ave
Tata Ln
Clement St
Roger Ave
James Ave
10th St
Taylor Way
Lake Tahoe Blvd
Julie Ln
Margaret Ave
Bay Rd
Carson Ave
Martin Ave
Sierra Blvd
Stockton Ave
Lodi Ave
Rose Ave
Fountain Ave

89
50

Proposed Infrastructure

- Drain Inlet
- Manhole
- Outlet
- Sediment Trap
- Standpipe
- Proposed Drain Pipe
- Road Changes
- Multi-use Paths
- Basins
- Existing Drain Pipe
- Existing Channel
- Benefit Area
- Service Area Boundary

CITY OF SOUTH LAKE TAHOE

Tahoe Valley Stormwater and Greenbelt Improvement Project
Stormwater Treatment and Benefit Areas

Public Works Department - Engineering

N

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Feet

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Resolution 2022-099

Adopted by the City of South Lake Tahoe City Council

August 9, 2022

Appropriating Undesignated General Funds Reserves in the Amount of $706,442 in Grant Match for the Tahoe Valley Greenbelt and Storm Water Improvement Project

BACKGROUND

A. City Council adopted the Tahoe Valley Area Plan on June 2, 2015, which included the Tahoe Valley Stormwater and Greenbelt Improvement Project (Tahoe Valley) as a vital environmental and community improvement project to support housing, infill, and community development in the Tahoe Valley portion of the City.

B. The Tahoe Valley Stormwater and Greenbelt Improvement Project is included on priority lists and plans for watershed and water quality improvements projects under the Lake Tahoe basin Environmental Improvement Program (EIP #01.01.01.0033).

C. On March 1, 2016, City Council authorized Public Works to submit Proposition 1 grant applications for the Tahoe Valley project (Resolution 2016-11).

D. On July 2, 2020, the Public Works Department submitted a Proposition 1 grant application to the State Water Resources Control Board (SWRCB) for implementation of the Project.

E. On February 16, 2021, the City received a letter from the SWRCB announcing a Proposition 1 implementation grant award for $6,922,904 with a 10% local match requirement.

F. On March 16, 2021, City Council authorized a funding agreement with the SWRCB, and authorized and designated the Director of Public Works to sign the funding agreement, amendments, and requests for disbursement on behalf of the City (Resolution 2021-017).

G. Of the requested appropriation of grant matching funds, an additional $14,152 will be needed for upfront payment for eligible reimbursement expenses through the Franchise Utility fee agreements upon completion of underground utility relocation work during project construction.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Does hereby authorize modification of the Annual Operating and Capital Improvement Budget for Fiscal Year 2021-22 and appropriates the required matching funds into the budget as follows:

REVENUE

301 40030 Revenue (36300) Transfer in from General Fund Grant Match Set Aside (+) 706,442*
($14,152 needed to load budget upfront for reimbursement later through Franchise Utility fee for STPUD and underground utility relocation work)

EXPENSE

301-40030 Expense (48030) Tahoe Valley Stormwater & Greenbelt EIP Construction (+) 706,442

Adopted by the City of South Lake Tahoe City Council on August 9, 2022 by the following vote:

Yes: Creegan, Friedrich, Middlebrook and Wallace
Absent: Bass

Devin Middlebrook (Aug 24, 2022 15:58 PDT)

Date: Aug 24, 2022

Devin Middlebrook, Mayor

Attest:

Sue Blankenship (Aug 19, 2022 14:52 PDT)

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

Resolution
2022-XXX

Adopted by City of South Lake Tahoe
City Council

October 4, 2022

Accepting and Appropriating Tahoe Regional Planning Agency (TRPA) Water Quality and Air Quality Mitigation Funding for Construction of the Tahoe Valley Stormwater and Greenbelt Improvement Project

BACKGROUND:

A. On September 2, 2022, the State Water Resources Quality Control Board (SWRCB) and the City executed a $6,922,904 Proposition 1 implementation grant agreement for the Tahoe Valley Stormwater and Greenbelt Improvement Project (Tahoe Valley).

B. Conditions of the SWRCB grant agreement require a City local match contribution of $1,869,035.

C. On August 9, 2022, the City Council passed and adopted Resolution 2022-099, appropriating $706,442 of General Fund Undesignated Excess Reserve funding to the Tahoe Valley project as a local match contribution.

D. The Department of Public Works requested TRPA disencumber and release $540,152.48 in TRPA Water Quality Mitigation Funds and authorize those funds for construction of the Tahoe Valley project.

E. The Department of Public Works requested TRPA disencumber $87,395,.97 in TRPA Stream Environment Zone (SEZ) Mitigation Funds and authorize those funds for construction of the Tahoe Valley project.

F. The Department of Public Works requested TRPA release $200,000 in Air Quality Mitigation Funding for construction of the Tahoe Valley project.

G. TRPA Mitigation Funds qualifies as local match contribution that can be applied to the SWRCB grant match contribution requirement.

H. At the September TRPA Governing Board meeting, the City's request to disencumber and authorize TRPA Mitigation Funds as described in items D and E herein, and the request for the release of TRPA Air Quality Mitigation Funding described in item F herein were approved.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Accepts $540,152.48 in TRPA Water Quality Mitigation Funding and $200,000 in Air Quality Mitigation Funding for construction of the Tahoe Valley Greenbelt and Stormwater Improvement Project.

2. Appropriates the accepted funding to the following Tahoe Valley account.

301-40030 Revenue (33312) TRPA Water Quality Mitigation Funds	(+) $540,152.48
301-40030 Revenue (33311) TRPA Air Quality Mitigation Funds	(+) $200,000.00

301-40030 Expenditure (48030) Tahoe Valley, Construction (+) $740,152.48

3. Transfers and Appropriates the Following:

From: 301-40017 Upper Truckee River Restoration, SEZ Mitigation Funds (-) $87,395.97
To: 301-40030 Expenditure (48030) Tahoe Valley, Construction (+) $87,395.97

Adopted by the City Council of the City of South Lake Tahoe on October 4, 2022 by the following vote:

Yes:
No:
Absent:
Abstain:

Attest:

_____ _____

Susan Blankenship, City Clerk Devin Middlebrook, Mayor

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 8

Agenda Item: Donation from the El Dorado Community Foundation designated to support the Park Ranger Program

Executive Summary: In 2021, the City embarked on a pilot program to place youth ambassadors in City parks to interact with park users and promote good stewardship to help preserve and protect the environment. Several community partners supported the initial pilot program including the El Dorado Community Foundation. In 2022, the City partnered with Lake Tahoe Unified School District to identify the program as part of a workforce development initiative and rebrand the ambassador program as a City managed Park Ranger Program. The new program has qualified for pass through grant funding from LTUSD to fund the cost of a Park Ranger Program Coordinator and create job opportunities for local youth. The Memorandum of Understanding with LTUSD was approved by City Council on August 9, 2022. The El Dorado Community Foundation continues to support the Park Ranger Program and has offered a donation of $20,000 toward program equipment and supplies needed to sustain the program. On September 6, 2022 City Council by resolution adopted a new financial policy establishing a process for the City to accept donations for a specific purpose. With the new financial policy in place the City is in a position to accept the donation of $20,000 from the El Dorado Community Foundation designated for the Park Ranger Program equipment and supplies.

Requested Action / Suggested Motions: Pass a Resolution authorizing acceptance of a $20,000 cash donation from the El Dorado Community Foundation designated to support the Park Ranger Program.
Responsible Staff Member: Lauren Thomaselli, Director of Parks and Recreation and Joe Irvin, City Manager

Responsible Staff Member: Lauren Thomaselli, Director of Parks and Recreation (530) 542-6197
Joe Irvin, City Manager (530) 542-6043

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report - El Dorado Community Foundation Donation.docx
02-Resolution - El Dorado Community Foundation Donation to the Park Ranger Program.docx
03-Donation Approval Form_EDCF Donation.pdf
04-Donation Acknowledgement_El Dorado Community Foundation.docx.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Donation from the El Dorado Community Foundation designated to support the Park Ranger Program

Location: Citywide

Responsible Staff Member: Lauren Thomaselli, Director of Parks and Recreation (530) 542-6197 and Joe Irvin, City Manager (530) 542-6043

Background: In 2021, the City embarked on a pilot program to place youth ambassadors in City parks to interact with park users and promote good stewardship to help preserve and protect the environment. In 2022, the City partnered with Lake Tahoe Unified School District to identify the program as part of a workforce development initiative and rebrand the ambassador program as a City managed Park Ranger Program. The intent of the new program was two-fold: 1) To provide job opportunities to local youth and inspire career pathways in natural sciences, environment, sustainable recreation, and park management. 2) To directly interact with park users to educate and inform the public on best practices, park rules, waste management, history, culture and general information. The new program has qualified for pass through grant funding from LTUSD to fund the cost of a Park Ranger Program Coordinator. The Memorandum of Understanding with LTUSD was adopted by City Council on August 9, 2022.

Issue and Discussion: On September 3, 2022 the El Dorado Community Foundation offered the City a donation of $20,000 designated to help sustain the Park Ranger Program and implement the program objectives. On September 6, 2022 City Council by resolution adopted a new financial policy establishing a process for the City to accept donations for a specific purpose. With the new financial policy in place the City is positioned to authorize and accept the $20,000 donation through resolution (Attachment 02) from the El Dorado Community Foundation designated for the Park Ranger Program.

Financial Implications: The City financial policy outlining procedures for accepting donations requires the submittal of a completed Donation Approval Form from the donor and is attached herein (Attachment 03). Also attached is an Acknowledgment Letter (Attachment 04) recognizing the donor. Accepting the donation from El Dorado Community Foundation will support the purchase of equipment and supplies to implement the objectives of the program such as; waste management tools, uniforms, two-way radios, and public outreach supplies.

Environmental Considerations: The acceptance of a donation is exempt from CEQA under State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). Section 15061(b)(3) of the CEQA Guidelines states that an activity is covered by the common sense exemption that CEQA only applies to projects that have the potential for causing a significant effect on the

environment. Where is can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA review.

Policy Implications: Accepting a donation supports the City strategic plan for Continuous improvement – Goal 5.5 Fiscal Sustainability – to seek new and diverse revenue streams, partnerships and grant opportunities.

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Authorizing Acceptance of $20,000 cash donation from El Dorado Community Foundation designated for the Park Ranger Program

BACKGROUND

A. In Summer 2021 the City collaborated with Lake Tahoe Unified School District (LTUSD), Lake Tahoe Community College (LTCC), and Sierra Nevada Alliance (SNA) to implement a pilot program on city parks and beaches called the Youth Ambassador Program.

B. In Fall 2021 the City and LTUSD established a park ranger program to replace the ambassador program and integrate the program into the City Parks and Recreation Services as part of a workforce development strategy.

C. On January 1, 2022 LTUSD was awarded a Strong Workforce grant in the amount of $688,220 to develop concentrator and completer course for the CTE Forestry and Natural Resources Pathway to attract more diverse student enrollment by use of varied learning experiences. CSLT is a collaborative partner in the grant award and will partner with South Tahoe High School to provide work-based learning opportunities by offering full-time seasonal jobs as Park Stewards.

D. On August 9, 2022 the City and LTUSD entered into a Memorandum of Understanding to continue the Park Ranger Program including authorizing $67,000 of pass through grant funding toward the Park Ranger Program Coordinator salary.

E. On September 3, 2022 El Dorado Community Foundation offered the City a $20,000 cash donation designated to help sustain the Park Ranger Program.

F. On September 6, 2022 City Council adopted a new financial policy to establish a process for soliciting and accepting contributions, donations, and sponsorships in a manner consistent with Government Accounting Standards.

G. On September 13, 2022 El Dorado Community Foundation submitted a completed donation approval form in the amount of $20,000 designated to sustain the Park Ranger Program.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Authorizes the City to amend FY 22/23 budget and accept El Dorado Community Foundation donation in the amount of $20,000 into the Parks Maintenance account 100-04170-36280 (Contributions and Donations) designated to sustain the Park Ranger Program.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

CITY OF
SOUTH LAKE TAHOE

DONATION APPROVAL FORM

Name of Donor: El Dorado Community Foundation

Address: 312 Main Street Suite 201 Placerville, Ca Phone: 530-622-5621

Description of donation: $20,000 Cash for Park Ranger Program

Donor estimate of current value: $20,000

Potential immediate or initial acquisition or installation cost, any on-going maintenance or replacement cost, any other cost required for acceptance/completion: NA

Intended use: To provide supplies and equipment necessary to sustain the Park Ranger Program

Conditions of acceptance or donor designation: Sustain the Park Ranger Program

Remarks:

City Department receiving donation: Parks and Recreation

Account Number for Revenue: 100-04170- 33320

APPROVED BY:

		Name/ Title	Signature	Date
Up to $5,000	Department Head			
Up to $10,000	Finance Director			
$5,000 to $10,000	City Manager			

Over $10,000: Date Approved by City Council: October 4, 2022

CITY OF
SOUTH LAKE TAHOE

DONATION ACKNOWLEDGEMENT

October 4, 2022

El Dorado Community Foundation
Attn: Bill Roby, Executive Director
312 Main Street Suite 201
Placerville, CA

Dear Mr Roby,

The City of South Lake Tahoe would like to thank you for your generous donation in the amount of $20,000 for the Park Ranger Program on September 3, 2022.

Your support will assist in furthering our strategic goals for workforce development and waste management and stewardship. The department intends to use the funds to support equipment and supplies such as uniforms, radios, waste management tools, and public outreach supplies.

No goods or services, in whole or in part, were exchanged for this contribution. Your contribution is tax deductible (if contribution is valued over $250) to the extent allowed by law.

Every donation makes an impact to better our community, and we are so thankful for your support.

Sincerely,

Joseph D. Irvin, ICMA-CM
City Manager
South lake Tahoe, CA

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 9

Agenda Item: Amendment No. 6 to Agreement with Cardno for Tahoe Valley Stormwater and Greenway Improvement Project

Executive Summary: Consulting firm Cardno is under contract to perform engineering and design services necessary for the preparation of 100% complete plans, specifications, and estimate (PS&E) bid documents for the Tahoe Valley Stormwater and Greenbelt Improvement Project. The California Tahoe Conservancy purchased a parcel located within the historic watershed located in the lower section of the Greenbelt area (Urgent Care parcel located at the southwesterly corner of Fourth Street and Lake Tahoe Blvd). The building structure and site improvements on the parcel were demolished by the Conservancy during this past summer. The Conservancy, in coordination with Public Works, recognizes a water quality treatment opportunity can be provided by routing stormwater through the Conservancy-owned parcel. The proposed amendment to the agreement will allow engineering design updates to the Phase 2 Project plans, thereby increasing the Project's water quality benefits.

Requested Action / Suggested Motions: Pass a Motion approving Amendment No. 6 to Professional Services Agreement with Cardno for engineering and design service on the Tahoe Valley Stormwater and Greenway Improvement Project to increase compensation by $21,770 to include the work necessary to add the Urgent Care parcel to the Tahoe Valley, Phase 2 bid documents.
Responsible Staff Members: Stan Hill, Engineering Manager and Jason Burke, Complete Streets Manager

Responsible Staff Member: Stan Hill, Engineering Manager
Jason Burke, Complete Streets Manager

Reviewed and Approved By:
Anush Nejad, Director of Public Works
Olga Tikhomirova, Finance Director
Susan Blankenship, City Clerk
Heather Stroud, City Attorney
Joseph Irvine, City Manager

Attachments:

01-Staff Report - Cardno Amendment No. 6.docx
02-Project Location Map.pdf
03-Cardno Amendment No. 6 to PSA.docx
04-Exhibit D Scope of Work.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Amendment No. 6 to Agreement with Cardno for Tahoe Valley Stormwater and Greenway Improvement Project

Location: Tahoe Valley drainage watershed, inclusive to the "Greenbelt" area located behind The Crossing (AKA "factory stores") at the South Y and the drainage watershed extending between west F Street down to Tahoe Keys Blvd (see Attachment 02, Project Location Map)

Responsible Staff Member: Stan Hill, Engineering Manager (530) 542-6039
Jason Burke, Stormwater Program Coordinator (530) 542-6038

Background: The Tahoe Valley Stormwater and Greenbelt Improvement Project (Tahoe Valley) includes an area-wide stormwater treatment system. The Greenbelt area extends between Emerald Bay Road at B Street to Lake Tahoe Blvd at 4th Street (see Attachment, 02-Project Map).

Proposed Project improvements will reduce pollutant loads entering the Upper Truckee River and Lake Tahoe in urban stormwater runoff. Greenbelt improvements include beautification and placemaking infrastructure (including an improved community park and public open spaces, permeable pavements, playground equipment, walking and biking trails, bike repair stations, bike racks, wayfinding signage, and dog waste, trash & recyclable collection stations).

The City retained the Services of design consultant Cardno to prepare 100% Plans, Specifications, and Estimate (PS&E) bid documents and provide Project permitting services. Project plans for Phase 1 and Phase 2 were completed in April 2022. Public Works bid and awarded Phase 1 this past summer.

Public Works and the California Tahoe Conservancy (Conservancy) have worked closely through the design, permitting, and property acquisition effort to complete the 100% PS&E bid documents. The Conservancy has strongly supported the Tahoe Valley project by assisting with acquiring required license agreements to occupy State-owned property for water quality treatment sites and recreational use within the Greenbelt area.

Conservancy support includes awarding a $375,000 Proposition 68 grant for engineering design and pre-acquisition expenses. In March 2022, the Conservancy Board approved a $550,000 Proposition 1 implementation grant which will be applied to the Phase 2 construction budget following the execution of the grant agreement. Tahoe Valley, Phase 2, is scheduled to bid in the spring of 2023, and construction will be completed by mid-October 2023, depending on the availability of implementation funding.

Issue and Discussion: The Conservancy has purchased several properties within the Tahoe Valley project area that were incorporated into the water quality treatment and recreational access elements provided to the public. A late addition to Conservancy property purchases is the parcel located at the southwesterly corner of 4th Street and Lake Tahoe Blvd. Previously occupied by the Urgent Care medical facility, the Conservancy demolished the old building structure and removed the paved parking area.

The Urgent Care parcel and the adjacent Conservancy-owned parcel to the west are primely located for the addition of water quality treatment improvements at the lower end of the Greenbelt area. However, the engineering design work needed for the additional water quality improvements is not included within the

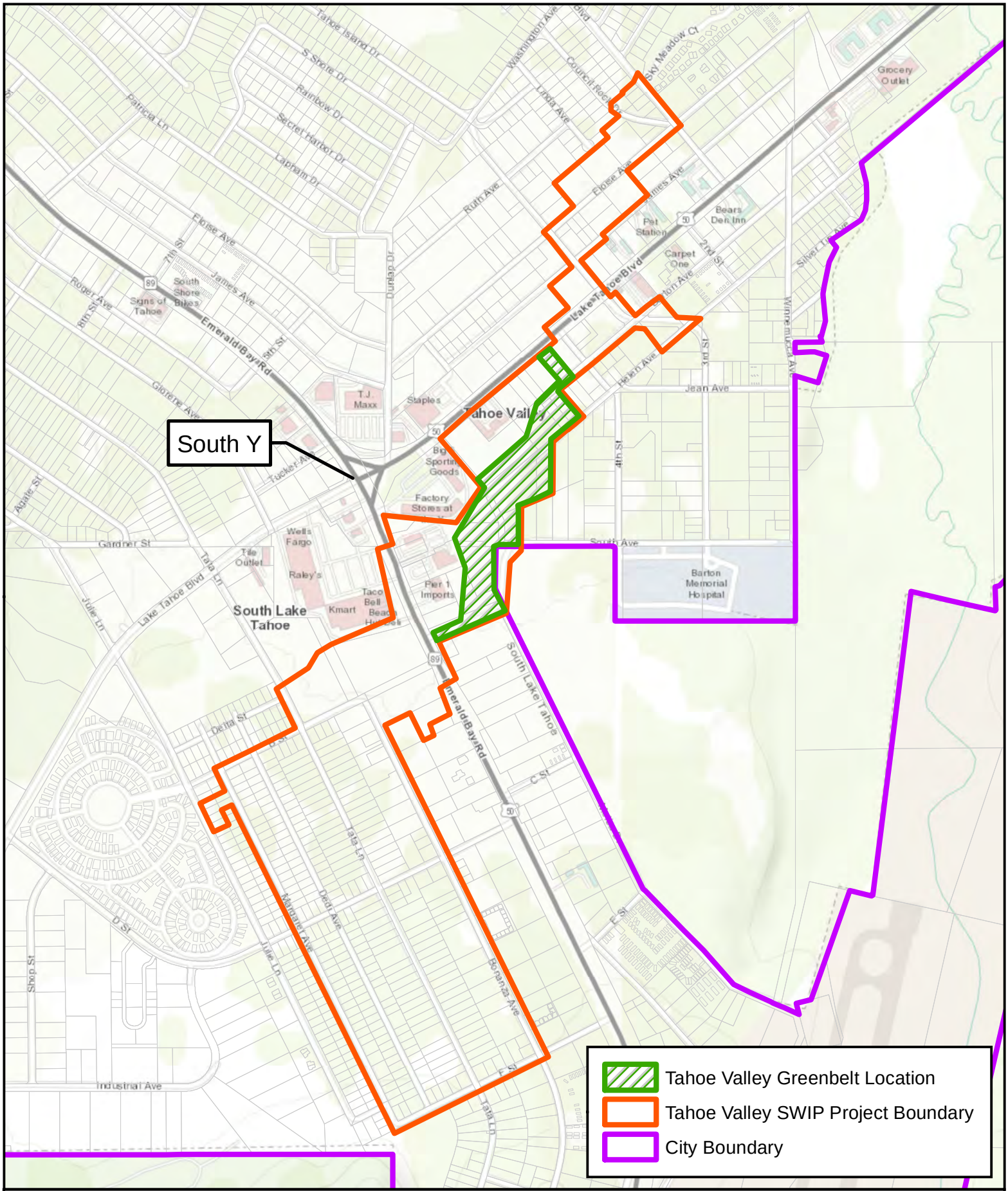
existing Professional Services Agreement (PSA) Scope of Work with Cardno. Amendment No. 6 will broaden the Scope of Work within the current PSA to include the work necessary to add the Urgent Care parcel to the Tahoe Valley, Phase 2 PS&E bid documents.

Financial Implications: A review of the Tahoe Valley budget indicates an uncommitted and available engineering design funding balance of $22,052.91 within the Engineering Design (301-40030-48020) budget. Amendment No. 6 to the Cardno PSA proposes an additional $21,770 engineering design budget to compensate Cardno for the increased Scope of Work. The attached PSA amendment includes the expanded Scope of Work and corresponding fees.

Environmental Considerations: Adding the Urgent Care parcel to the Project will require an amendment to the approved CEQA MND. The Conservancy has committed to completing the CEQA MND amendment and has scheduled the adoption by the Conservancy Board at their December Board meeting. The current action (approving the amendment to the Cardno agreement) is statutorily exempt from CEQA under CEQA Guidelines 15262 (feasibility and planning studies).

Policy Implications: Completing project improvements will assist with meeting the sediment and nutrient reductions mandated by the Lake Tahoe Total Maximum Daily Load (TMDL) program. Fulfilling mandated TMDL reduction goals will assist with maximizing residential housing allocations under TRPA Code section 50.5.2.E.2 (Distribution and Administration of Residential Allocations – TMDL Implementation). The Project advances the City Council Strategic Priorities and Goals, specifically:

- **Action Item 1.4 (Transportation)** to prioritize implementation of mixed-use recreational trails and Class 1 bike trails and closing gaps in the bicycle trail system.
- **Action Item 2.3 (Connectivity)** to facilitate implementation of trail infrastructure prioritizing the connection of bicycle and walking trails, from neighborhoods near the Greenbelt to the South Y commercial area and beyond.
- **Action Item 5.3 (Infrastructure and Maintenance)** by actively seeking funding to develop sustainable infrastructure projects, based on the prioritized capital improvement project list.



CITY OF SOUTH LAKE TAHOE

Department of Public Works - Engineering Division

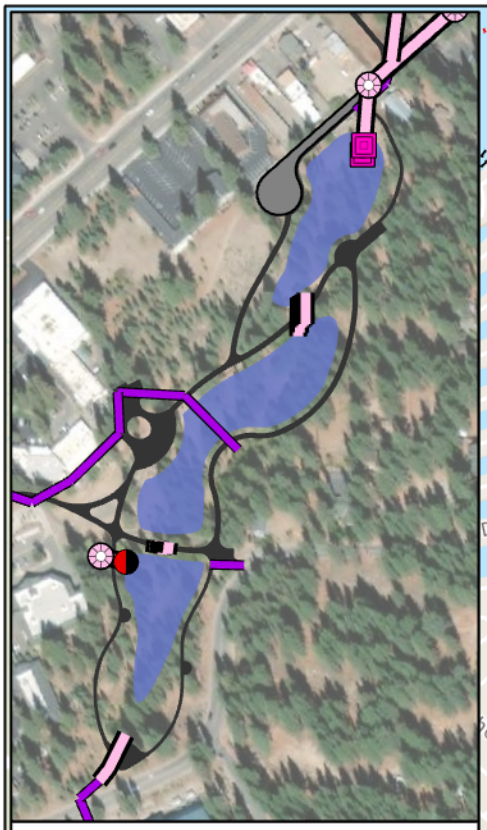
Tahoe Valley Storm Water Improvement Project Area Map

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Detailed view of Greenbelt

Water Flow

Eloise Basin
James Basin
Helen Basin
Central Greenbelt
Upper Greenbelt
Bonanza Basin
Dedi Basin
Margaret Basin
Upper Bonanza Basin

Tahoe Valley
South Lake Tahoe
Al Tahoe
Lake Valley
Gardner Mountain
Truckee Marsh
Tahoe Keys Marina
Barton Memorial Hospital
Lake Tahoe Airport

Upper Truckee River

Tahoe Keys Blvd
Bellevue Ave
El Dorado Ave
Carson Ave
Martin Ave
Sierra Blvd
Stockton Ave
Lodi Ave
Rose Ave
Fountain Ave
James Ave
Roger Ave
Clement St
Tata Ln
10th St
Taylor Way
Lake Tahoe Blvd
Julie Ln
Margaret Ave
Trout Creek
Bay Rd

6243 ft
6265 ft
6368 ft

89
50

Proposed Infrastructure

- Drain Inlet
- Manhole
- Outlet
- Sediment Trap
- Standpipe
- Proposed Drain Pipe
- Road Changes
- Multi-use Paths
- Basins
- Existing Drain Pipe
- Existing Channel
- Benefit Area
- Service Area Boundary

CITY OF SOUTH LAKE TAHOE

Tahoe Valley Stormwater and Greenbelt Improvement Project
Stormwater Treatment and Benefit Areas

Public Works Department - Engineering

N

0 800 2,000 2,000 3,000 4
Feet

Path: J:\GIS files\Projects\Engineering\TahoeValleyGreenbelt\TahoeValleyGreenbelt.aprx | Layout: TVG CAC Project Map | Date Exported: 7/1/2020

AMENDMENT No. 6 TO PROFESSIONAL SERVICES AGREEMENT

The Professional Services Agreement (C-007-2020) entered into on January 14, 2020, between the City of South Lake Tahoe, a municipal corporation ("CITY") and **Cardno** ("CONSULTANT") is hereby amended as set forth below.

Paragraph 1 of the Professional Services Agreement is hereby amended to add the following:

1. In addition to the Scope of Services specified within the original Professional Services Agreement, dated January 14, 2020, and Amendment Nos. 1, 2, 3, 4 and 5 (C-079-2020, C-007-2021, C-081-2021, C-034, 2022, C-037-2022) this Sixth Amendment to the Agreement adds the work described within **Exhibit D**, **Scope of Services & Compensation** attached hereto and incorporated herein by reference.
2. Compensation. Compensation to be paid to the CONSULTANT, as defined within the original Agreement and as augmented by Amendment Nos. 1, 2, 3, and 4 is hereby increased with this Amendment No. 6 by the sum of $22,750.00 as described within Exhibit D, Scope of Services & Compensation attached hereto. In no case shall CONSULTANT compensation for work completed under this Agreement exceed the amended Agreement amount of $736,350.00 plus the additional fee of $22,750.00 for an amended total fee of $759,100.00 without written authorization from the CITY. Payment by the CITY under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the CITY at the time of payment.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 6 to Agreement to be executed on _____ , 2022.

CITY OF SOUTH LAKE TAHOE

By: _____
Devin Middlebrook, Mayor

CONSULTANT

By: _____
Stephen Peck
Senior Consultant/Principal
Business License # 0080171

APPROVED AS TO FORM:

_____
Heather Stroud, City Attorney

ATTEST:

_____
Susan Blankenship, City Clerk

EXHIBIT D

AMENDMENT No. 6 TO PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES AND COMPENSATION

The Professional Services Agreement entered into on January 14, 2020 between the City of South Lake Tahoe, a municipal corporation ("City") and Cardno ("Consultant") is amended to include additional scope of services as described below. The City authorized amendment to the base agreement includes additional project permitting, and property acquisition services.

Pursuant to the project tasks identified in the professional services base agreement, between City and Consultant, the following selected tasks/scope of services is included with the project work.

Note all project tasks listed for clarity.

Task 1 Project Management, Meetings, and Public Outreach

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

Task 2 Supplemental Site Surveying and Basemap Updates

- ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $5,770
    - Subtask 2.e CTC Parcel Add (4th/Barton) Supplemental Topo Survey / Basemap Updates

Subtask 2.e CTC Parcel Add (4th/Barton) Supplemental Topo Survey / Basemap Updates

The addition and incorporation of Parcel (APN 023-241-022; 2130 Lake Tahoe Blvd) to the Project, located northwesterly of 4th Street/Barton Avenue intersection, requires supplemental topographic survey and project basemap updates.

Cardno has teamed with R.E.Y Engineers, Inc. to provide topographic land surveying for the Project. Supplemental survey data will be incorporated with the overall Project basemap for design purposes.

Survey will include ties to previous control points, and field data collection of terrain/topography, visible surface utilities and hard features, pole lines, fences, trees, plus surface pavements and walkways, curb/gutter and drainage, and edge features of adjacent roadways for connectivity of adjacent facilities.

Task 2.e Deliverables:

> Electronic files of survey data field points in Autodesk Civil3D format (California State Plane Coordinate System Zone 2, NAD83 for horizontal, and NAVD88 for elevation)
> Updated Project basemap in Autodesk Civil3D format

Task 2.e Assumptions:

> Survey excludes full boundary resolution or preparing Record of Survey

Task 3 Permitting

- ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $1,770

- Subtask 3.h CTC Parcel Add (4th/Barton) Consult Support for CEQA Amendment

Subtask 3.h CTC Parcel Add (4th/Barton) Consult Support for CEQA Amendment

The addition and incorporation of Parcel (APN 023-241-022; 2130 Lake Tahoe Blvd) to the Project, located northwesterly of 4th Street/Barton Avenue intersection, changes the Project Area of Potential Effect, and may require amendment to the Project CEQA document.

Cardno will provide limited consult to the City and California Tahoe Conservancy (CTC) for possible amendments to the Project CEQA document.

Task 3.h Deliverables:

> None

Task 3.h Assumptions:

> City and CTC are responsible for all work associated with any CEQA Amendments.
> Cardno technical staff will be available for consult to provide technical guidance to the City and CTC.

Task 4 60% Design Documents

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

Task 5 90% Design Documents

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

Task 6 100% Design Documents

- ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $10,760
  - Subtask 6e. CTC Parcel Add (4th/Barton) Final Design Revisions, Phase 2 Project

Subtask 6.e CTC Parcel Add (4th/Barton) Final Design Revisions, Phase 2 Project

The addition and incorporation of Parcel (APN 023-241-022; 2130 Lake Tahoe Blvd) to the Project, located northwesterly of 4th Street/Barton Avenue intersection, requires engineering design and revisions to the Phase 2 Project plans, technical specifications, and cost estimates (PS&E).

Revisions and updates to the Project storm drainage system improvements in the vicinity of Barton Ave and 4th Street will incorporate the specified parcel, which is predominately identified as Stream Environment Zone (SEZ) land capability classification. Opportunities for SEZ restoration and additional storm water treatments are targeted for the specified parcel. Western Botanical Services (WBS) will assist Cardno with revegetation design elements to enhance SEZ restoration opportunities within the specified parcel.

Plan and profile sheets, storm drain pipelines, earthwork grading, and details will be addressed. Updates to the final design package and bid documents (PS&E) for the Phase 2 project will be completed.

Task 6.e Deliverables:

> Updated Phase 2 final design package and bid documents –plans, special provisions and bid list/estimate

Task 6.e Assumptions:

> Design changes are anticipated for storm water system improvements only. No changes to the proposed Greenbelt trail system improvements are part of these design revisions.

Task 7 Hydrologic and Hydraulic Analysis

- ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $3,470
    - Subtask 7.f CTC Parcel Add (4th/Barton) H&H Analysis Model Update

Subtask 7.f CTC Parcel Add (4th/Barton) H&H Analysis Model Update

The addition and incorporation of Parcel (APN 023-241-022; 2130 Lake Tahoe Blvd) to the Project, located northwesterly of 4th Street/Barton Avenue intersection, requires engineering design and revisions to the Project hydrologic and hydraulic (H&H) analysis.

Revisions and updates to the Project storm drainage system improvements in the vicinity of Barton Ave and 4th Street need to be evaluated and included with the overall Project H&H analysis. Previously targeted storm water quality improvements, pollution credits, and storm water system design parameters for flow routing, pipe sizing, and flood control impacts must be re-evaluated within the target parameters of the Project H&H analysis and modeling programs to incorporate the specified parcel into the Project storm water improvements and avoid unintended or negative downstream impacts to existing and proposed drainage systems.

Task 7.f Deliverables:

> Updated hydro/hydraulic modeling
> Technical Memo – summary of results, supplement to the previous Project H&H memo

Task 8 Easement and Real Property Services

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

Task 9 Bid Assistance (as directed, phase 1 project)

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

Task 10 Construction Support (as directed, phase 1 project)

- NO ADDITIONAL WORK/SERVICES IDENTIFIED FOR THIS PROJECT TASK: $0.00

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 10

Agenda Item: Master Fee Schedule Amendment – General Plan, Community Plan, Area Plan, Plan Area Statement Amendments

Executive Summary: The City of South Lake Tahoe adopted Resolution 2022-029 on March 15, 2022, adopting the current City Fee Schedule which includes fees for Planning applications to amend the General Plan, Community Plans, Area Plans and Plan Area Statements. The recommended change would require a deposit of $8,855, and payment of the fully burdened staff cost along with any costs associated with consultant services to the City for processing these types of applications.

Requested Action / Suggested Motions: Pass a Resolution amending the Master Fee Schedule for General Plan, Community Plan, Area Plan, Plan Area Statement Amendments.
Responsible Staff Member: Hilary Roverud, Director of Development Services

Responsible Staff Member: Hilary Roverud, Director of Development Services (530) 542-6024

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report
02-Resolution

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Master Fee Schedule Amendment – General Plan, Community Plan, Area Plan, Plan Area Statement Amendments

Location: Citywide

Responsible Staff Member: Hilary Roverud, Director of Development Services

Background: The City of South Lake Tahoe adopted Resolution 2022-029 on March 15, 2022 adopting the current City Master Fee Schedule which includes fees for Planning applications to amend the General Plan, Community Plans, Area Plans and Plan Area Statements. The Master Fee Schedule currently includes a flat rate application fee of $8,855 for these types of applications.

Issue and Discussion: General Plan, Community Plans, Area Plans and Plan Area Statement Amendments can range from minor development standard modifications to significant policy or zoning changes. Depending on the nature of the proposed amendment, the amount of City staff time and resources that are required to process them varies significantly, especially with respect to the appropriate amount of public outreach and engagement.

An amendment to the City Master Fee Schedule is recommended to ensure that application fees associated with these types of applications reflect the varying amount of City resources used to provide the service. The recommended change would require a deposit of $8,855, equal to the current application fee, and payment of the fully burdened staff cost along with any costs associated with consultant services to the City for processing the application.

Application fees do not apply to plan amendments that are initiated by the City or, in the case of Community Plans, Area Plans, and Plan Area Statements, initiated by the Tahoe Regional Planning Agency.

Financial Implications: Application fees for General Plan, Community Plans, Area Plans and Plan Area Statement Amendments would more closely reflect the cost of City resources required to process them. An impact to City revenues is not expected given that some applications would be able to be processed for less that the current fee and others would required higher fees. These application fees are deposited into the Planning account (10003710 34006).

Environmental Considerations: The recommendation in this report is not a project under CEQA, because it does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(2) and 15378(b)(4) and is, therefore, not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

Policy Implications: This recommendation is consistent with Strategic Plan Priority 5.5 “Fiscal Sustainability and Resiliency.

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Amending Master Fee Schedule (General Plan, Community Plan, Area Plan, Plan Area Statement Amendments)

BACKGROUND

A. The City of South Lake Tahoe adopted Resolution 2022-029 on March 15, 2022 specifying the City Fee Schedule which includes fees for the Planning applications to amend the General Plan, Community Plans, Area Plans and Plan Area Statements.

B. The Master Fee Schedule currently includes a flat rate application fee of $8,855 for General Plan, Community Plan, Area Plan and Plan Area Statement amendment applications.

C. General Plan, Community Plan, Area Plan and Plan Area Statement amendment applications vary widely in their need for City staff resources to review, conduct public outreach, and process.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City
Council of the City of South Lake Tahoe:

1. Does hereby amend the City of South Lake Tahoe Master Fee schedule to establish a City cost recovery fee for General Plan, Community Plan, Area Plan and Plan Area Statement amendment applications, effective immediately.

Planning Documents:		
General Plan Amendment	each	Fully burdened hourly staff cost and/or cost of consultant - $8,855 deposit
Community Plan Amendment/Area Plan/Plan Area Statement	each	Fully burdened hourly staff cost and/or cost of consultant - $8,855 deposit

Adopted by the City of South Lake Tahoe City Council on _____, 2022 by the following vote:

Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 11

Agenda Item: Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18

Executive Summary: The Federal Aviation Administration (FAA) completed Baffle installation on the Precision Approach Path Indicators (PAPI's), which are navigational aids for aircraft to land at Lake Tahoe Airport. These Baffle lenses will help eliminate the tree obstructions from the line of sight to help aircraft pick up the navigational aid with no issue. For this to become certified, the FAA requires the City to enter into a Reimbursable Agreement with FAA. This Reimbursable Agreement was executed and staff seeks ratification from City Council. The City funds used will be reimbursed by the FAA once the certification is completed.

Requested Action / Suggested Motions: Pass a Resolution Ratifying a Reimbursable Agreement with the Federal Aviation Administration (FAA) and approving budget appropriation of $20,196.00 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18.
Responsible Staff Member: John Dickinson, Airport Manager

Responsible Staff Member: John Dickinson, Airport Manager (530) 542-6182

Reviewed and Approved By:
Anush Nejad, Director of Public Works
Susan Blankenship, City Clerk
Olga Tikhomirova, Finance Director
Heather Stroud, City Attorney

Attachments:

01-Staff Report - FAA Reimbursable Agreement for Flight Inspection.docx
02-Resolution FAA Reimbursable Agreement for Flight Inspection of Runway 18.docx
03-FAA Agreement

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Reimbursable Agreement with the Federal Aviation Administration for Flight Inspection on Runway 18

Location: Lake Tahoe Airport

Responsible Staff Member: John Dickinson, Airport Manager (530) 542-6182

Background: The Federal Aviation Administration (FAA) completed Baffle installation on the Precision Approach Path Indicators (PAPI's), which are navigational aids for aircraft to land at Lake Tahoe Airport. These Baffle lenses will help eliminate the tree obstructions from the line of sight to help aircraft pick up the navigational aid with no issue. For this to become certified the City will have to enter into a Reimbursable Agreement with FAA to complete this flight check to certify the instrumentation.

Issue and Discussion: The Federal Aviation Administration under Title 49 § 106 (1)(6) can furnish services directly to the Lake Tahoe Airport since the FAA has the unique skills and capability to provide the services and can help advance the FAA's mission to provide a reconfiguration flight inspection of the PAPI on Runway 18 (2 trips). The FAA will perform the scope of work through the FAA Flight Program Operations, Flight Management Group. The City will pay for the services; upon submission of the invoice. The FAA will reimburse the City once the flight check is completed.

Financial Implications: Authorize Finance Director to appropriate budget in account number 501 05130 Airfield Area as follows:

FAA Revenue 33112: $20,196
FAA Expense 42020: $20,196

Environmental Considerations: There are no other environmental implications associated with the project regarding discretionary approval by the City Council.

Policy Implications: FAA flight check needed to commission new lens modification and will document the certification of Airport instruction in compliance with FAA safety regulations.

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Ratifying a Reimbursable Agreement with the Federal Aviation Administration (FAA) and Approving Budget Appropriation of $20,196 for Flight Inspection of the Precision Approach Path Indicators (PAPI) on Runway 18

A. The Public Works Director has executed an agreement with FAA Flight Program Operations for a scope of work to provide reconfiguration flight inspection of the Precision Approach Path Indicators (PAPI) on Runway 18 (2 trips), for which the Airport Manager requests ratification by City Council.

B. Federal Aviation Administration is authorized under Title 49 U.S.C. § 106(1)(6) to perform such services.

C. The Federal Aviation Administration will reimburse the City for the expenses incurred for the flight inspection in the amount $20,196.00.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED that the City Council of the City of South Lake Tahoe:

1. Ratifies the execution of FAA Reimbursable Agreement Number AJF-ON-AAC-22-AC-005435 in the amount of $20,196.00.

2. Authorizes revenue and reimbursable expense budget appropriations for the inspection in the amount of $20,196.00 into account number 501 05130, Airfield Area as follows:

FAA Revenue	33112:	$20,196
Professional Services	42020:	$20,196

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date: _____
Devin Middlebrook, Mayor

Attest:

_____
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

Agreement Number
AJF-ON-AAC-22-AC-005435

NON-FEDERAL REIMBURSABLE AGREEMENT

BETWEEN

DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

AND

CITY OF SOUTH LAKE TAHOE, CALIFORNIA
SOUTH LAKE TAHOE, CA

WHEREAS, the Federal Aviation Administration (FAA) can furnish directly or by contract, material, supplies, equipment, and services which the **City of South Lake Tahoe, California** (Sponsor) requires, has funds available for, and has determined should be obtained from the FAA;

WHEREAS, it has been determined that competition with the private sector for provision of such material, supplies, equipment, and services is minimal; the proposed activity will advance the FAA's mission; and the FAA has a unique capability that will be of benefit to the Sponsor while helping to advance the FAA's mission;

NOW THEREFORE, the FAA and the Sponsor mutually agree as follows:

ARTICLE 1. Parties

The Parties to this Agreement are the FAA-Flight Program Operations and **City of South Lake Tahoe, California.**

ARTICLE 2. Type of Agreement

This Agreement is an "other transaction" authorized under 49 U.S.C. § 106(l)(6). It is not intended to be, nor will it be construed as, a partnership, corporation, joint venture or other business organization.

ARTICLE 3. Scope

A. The purpose of this Agreement between the FAA and the Sponsor is to **provide a reconfiguration flight inspection of the PAPI on Rwy 18 (2 trips) at Lake Tahoe Airport (KTVL) South Lake Tahoe, CA.** This Agreement provides funding for the FAA to establish these services. Therefore, this Agreement is titled:

City of South Lake Tahoe, California, South Lake Tahoe, CA

C-153-2022

B. The FAA will **perform a reconfiguration flight inspection of the PAPI on Rwy 18 (2 trips) at Lake Tahoe Airport (KTVL) South Lake Tahoe, CA.**

C. The Sponsor will perform the following activities:

1. Provide funding as estimated in Article 7.

2. Upon signature and payment of agreement, contact Randall Peterson at 405-954-1602 or randall.w.peterson@faa.gov once the site is ready for inspection. You may also call the Oklahoma City Service Center if you have any questions at 405-954-9780.

D. This agreement is in whole or in part funded with funding from an AIP grant [ ] Yes [X] No. If Yes, the grant date is: n/a and the grant number is: n/a. If the grant information is not available at the time of agreement execution, the Sponsor will provide the grant information to the FAA when it becomes available.

ARTICLE 4. Points of Contact

A. FAA:

1. The FAA, Flight Program Operations, Program Support Group, will provide administrative oversight of this Agreement. Shelley Ochs is the Agreement Coordinator and liaison with the Sponsor and can be reached at 405-954-5757 or via email at shelley.d.ochs@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

2. The FAA, Flight Program Operations, Flight Management Group will perform the scope of work included in this Agreement. Henry Frakes is the Manager, Flight Management Group and liaison with the Sponsor and can be reached at 405-954-3955 or via email at henry.frakes@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

3. FAA Contracting Officer: The execution, amendment, and administration of this Agreement must be authorized and accomplished by the Contracting Officer, Michele Mustin who can be reached at 405-954-7879 or via email at michele.d.mustin@faa.gov.

B. Sponsor:

Sponsor: **City of South Lake Tahoe, California**
ATTN: **John Dickinson, Airport Manager**
Address: **1901 Airport Road, Suite 100**
South Lake Tahoe, CA 96150-7004
Phone: **615-305-5850**
E-mail: **jdickinson@cityofslt.us**

ARTICLE 5. Non-Interference with Operations [RESERVED]

ARTICLE 6. Property Transfer [RESERVED]

ARTICLE 7. Estimated Costs

A. The estimated FAA costs associated with this Agreement are as follows:

DESCRIPTION OF REIMBURSABLE ITEM	ESTIMATED COST
LABOR	
NA	**$0**
NON-LABOR	
Flight Inspection	**$18,700.00**
Non-Labor Overhead (8%)	**$ 1,496.00**
Total Non-Labor	**$20,196.00**
TOTAL ESTIMATED COST	**$20,196.00**

Detailed Estimate:

Flight Inspection Estimated Cost

Challenger Rate $3,740/hr	Type	Hours	Inspections	Estimated Cost
PAPI on Rwy 18 at KTVL (2 trips)	**Reconfiguration**	**5**	**1**	**$18,700.00**
	8% Administrative Overhead			**$ 1,496.00**
	Total Estimated Cost			**$20,196.00**

B. FAA reserves the right to determine which aircraft will be used for flight inspections. Flight hour rates will be adjusted automatically according to FAA Order 2500.36 (current edition), Application of Flight Hour Rates, or as approved by the Flight Program Executive. The **estimate** is based on rates in effect at the time this Agreement is signed.

C. Estimated costs contained herein are for planning purposes only and can vary depending on the actual aircraft used, and actual flight hours expended to reach the facility and to accomplish the inspection. As required by regulation, the final bill submitted to the Sponsor will reflect actual hours and costs to Flight Program Operations.

D. Sponsor will be notified of any necessary deviations or changes to the instrument flight procedure and agrees to negotiate with the FAA to resolve additional reimbursement issues exceeding 10% of the cost estimate, in accordance with Article 9.

E. FAA flight inspection aircraft may be delayed from scheduled itineraries for unanticipated reasons such as a National Airspace System priority, weather, or unscheduled aircraft maintenance. FAA is not responsible for any additional cost the Sponsor may incur if an inspection must be rescheduled.

ARTICLE 8. Period of Agreement and Effective Date

The effective date of this Agreement is the date of the last signature. This Agreement is considered complete when the final invoice is provided to the Sponsor and a refund is sent or payment is received as provided for in Article 9, Section D of this Agreement. This Agreement will not extend more than five years beyond its effective date.

ARTICLE 9. Reimbursement and Accounting Arrangements

A. The Sponsor agrees to prepay the entire estimated cost of the Agreement. The Sponsor will send an electronic copy of the Agreement to the FAA Agreement Coordinator for FAA signature. The Sponsor will also send a copy of the executed Agreement and submit full advance payment in the amount stated in Article 7 to the Reimbursable Receipts Team listed in Section C of this Article. The advance payment will be held as a non-interest bearing deposit. Such advance payment by the Sponsor must be received before the FAA incurs any obligation to implement this Agreement. Upon completion of this Agreement, the final costs will be netted against the advance payment and, as appropriate, a refund or final bill will be sent to the sponsor. Per U.S. Treasury guidelines, refunds under $1.00 will not be processed. Additionally, FAA will not bill the sponsor for amounts less than $1.00.

B. The Sponsor certifies that arrangements for sufficient funding have been made to cover the estimated costs of the Agreement.

C. The Reimbursable Receipts Team is identified by the FAA as the billing office for this Agreement. The preferred method of payment for this agreement is via Pay.Gov. The sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the sponsor can mail the payment to the address shown below. When submitting funding by mail, the Sponsor must include a copy of the executed Agreement and the full advance payment. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS or overnight method is:

Federal Aviation Administration
Reimbursable Receipts Team
800 Independence Ave S.W.
Attn: Rm 612A
Washington D.C. 20591
Telephone: (202) 267-1307

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

City of South Lake Tahoe, California
ATTN: John Dickinson, Airport Manager
1901 Airport Road, Suite 100
South Lake Tahoe, CA 96150-7004
615-305-5850
jdickinson@cityofslt.us

D. The cost estimates contained in Article 7 are expected to be the maximum costs associated with this Agreement, but may be amended to recover the FAA's actual costs. If during the course of this Agreement actual costs are expected to exceed the estimated costs, the FAA will notify the Sponsor immediately. The FAA will also provide the Sponsor an amendment to the Agreement which includes the FAA's additional costs. The Sponsor agrees to prepay the entire estimated cost of the amendment. The Sponsor will send a copy of the executed amendment to the Agreement to the Reimbursable Receipts Team with the additional advance payment. Work identified in the amendment cannot start until receipt of the additional advance payment. In addition, in the event that a contractor performing work pursuant to the scope of this Agreement brings a claim against the FAA and the FAA incurs additional costs as a result of the claim, the Sponsor agrees to reimburse the FAA for the additional costs incurred whether or not a final bill or a refund has been sent.

ARTICLE 10. Changes and Amendments

Changes and/or amendments to this Agreement will be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this Agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this Agreement and any subsequent amendment(s) represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person will be interpreted as amending or otherwise affecting the terms of the Agreement. Any party to this Agreement may request that it be amended, whereupon the parties will consult to consider such amendments.

ARTICLE 11. Termination

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party other than payment of amounts due and owing and performance of obligations accrued, in each case on or prior to the termination date, by giving the other party at least thirty (30) days prior written notice of termination. Payment of amounts due and owing may include all costs reimbursable under this Agreement, not previously paid, for the performance of this Agreement before the effective date of the termination; the total cost of terminating and settling contracts entered into by the FAA for the purpose of this Agreement; and any other costs necessary to terminate this Agreement. Upon receipt of a notice of termination, the receiving party will take immediate steps to stop the accrual of any additional obligations which might require payment. All funds due after termination will be netted against the advance payment and, as appropriate, a refund or bill will be issued.

ARTICLE 12. Order of Precedence [RESERVED]

ARTICLE 13. Legal Authority

This Agreement is entered into under one or more of the following authorities; 49 U.S.C. § 106(l), 31 U.S. Code 6505 Intergovernmental Cooperation Act. Each of which authorizes the Administrator of the FAA to enter into and perform such contracts, leases, cooperative agreements and other transactions as may be necessary to carry out the functions of the Administrator and the Administration on such terms and conditions as the Administrator may consider appropriate. Nothing in this Agreement will be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation.

ARTICLE 14. Disputes

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, the dispute will be resolved by alternative dispute resolution using a method to be agreed upon by the parties. The outcome of the alternative dispute resolution will be final unless it is timely appealed to the Administrator, whose decision is not subject to further administrative review and, to the extent permitted by law, is final and binding (see 49 U.S.C. § 46110).

ARTICLE 15. Warranties

The FAA makes no express or implied warranties as to any matter arising under this Agreement, or as to the ownership, merchantability, or fitness for a particular purpose of any property, including any equipment, device, or software that may be provided under this Agreement.

ARTICLE 16. Insurance

The Sponsor will arrange by insurance or otherwise for the full protection of itself from and against all liability to third parties arising out of, or related to, its performance of this Agreement. The FAA assumes no liability under this Agreement for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf.

ARTICLE 17. Limitation of Liability

To the extent permitted by law, the Sponsor agrees to indemnify and hold harmless the FAA, its officers, agents and employees from all causes of action, suits or claims arising out of the work performed under this Agreement. However, to the extent that such claim is determined to have arisen from the act or omission by an officer, agent, or employee of the FAA acting within the scope of his or her employment, this hold harmless obligation will not apply and the provisions of the Federal Tort Claims Act, 28 U.S.C. § 2671, et seq., will control. The FAA assumes no liability for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf. In no event will the FAA be liable for claims for consequential, punitive, special and incidental damages, claims for lost profits, or other indirect damages.

ARTICLE 18. Civil Rights Act

The Sponsor will comply with Title VI of the Civil Rights Act of 1964 relating to nondiscrimination in federally assisted programs.

ARTICLE 19. Protection of Information

The parties agree that they will take appropriate measures to identify and protect proprietary, privileged, or otherwise confidential information that may come into their possession as a result of this Agreement.

ARTICLE 20. Security [RESERVED]

ARTICLE 21. Ensuring Adequate COVID Safety Protocols [RESERVED]

ARTICLE 22. Entire Agreement

This document is the entire Agreement of the parties, who accept the terms of this Agreement as shown by their signatures below. In the event the parties duly execute any amendment to this Agreement, the terms of such amendment will supersede the terms of this Agreement to the extent of any inconsistency. Each party acknowledges participation in the negotiations and drafting of this Agreement and any amendments thereto, and, accordingly that this Agreement will not be construed more stringently against one party than against the other. If this Agreement is not executed by the Sponsor within 120 calendar days after the FAA transmits it to the Sponsor, the terms contained and set forth in this Agreement shall be null and void. Additionally, the FAA expects this agreement to be funded within 120 days of execution, if funding is not received by that date; the FAA may exercise the right to renegotiate estimated costs.

AGREED:

FEDERAL AVIATION ADMINISTRATION

SIGNATURE _____

NAME Michele Mustin

TITLE Contracting Officer

DATE 9/15/2022

CITY OF SOUTH LAKE TAHOE, CALIFORNIA

SIGNATURE _____

NAME Anush Nejad

TITLE Public Works Director

DATE 9/7/22

Attest:

Susan Blankenship, City Clerk
City of South Lake Tahoe

9/13/2022

APPROVED AS TO FORM:

Heather Stroud
City Attorney

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 12

Agenda Item: Infill Infrastructure Grant (IIG) Program Application Letter of Support for the Sugar Pine Village Affordable Housing Project

Executive Summary: The IIG Program's primary objective is to promote infill housing development. The Related Companies of California, LLC is the grant applicant. Staff recommends that the City Council approve a motion to authorize and direct the Mayor to sign a letter of support for Sugar Pine Village Phase 2A, Phase 1B, and Phase 2B with Related Companies of California LLC under the Super Notice of Funding Availability ("Super NOFA") for the IIG Program for an award amount of $8,961,500.

Requested Action / Suggested Motions: Pass a Motion authorizing and directing the Mayor to sign a letter of support for Sugar Pine Village Phase 2A, Phase 1B, and Phase 2B with Related Companies of California LLC under the Super Notice of Funding Availability for the IIG Program for an award amount of $8,961,500.
Responsible Staff Members: Jessica Wackenhut Lomeli, Associate Housing Planner and Zach Thomas, Housing Manager

Responsible Staff Member: Jessica Wackenhut Lomeli, Associate Housing Planner
Zach Thomas, Housing Manager

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report SuperNOFA IIG.docx
02-IIG Notice of Funding Availability.pdf
03-IIG Letter of Support.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Infill Infrastructure Grant (IIG) Program Application for the Sugar Pine Village affordable housing project

Location: 1888 Lake Tahoe Boulevard and 1029 Tata Lane

Responsible Staff Member: Jessica Wackenhut Lomeli, Associate Housing Planner
Zach Thomas, Housing Manager

Background: The Sugar Pine Village project is a proposed 248-unit affordable housing project, with onsite community service facilities on 11.6 acres of land owned by the State of California. This project is a result of the Governor's Executive Order N-06-19, which directed the California Department of General Services (DGS) to identify excess state properties as potential affordable housing development sites. In July 2020, the California Tahoe Conservancy announced the State had selected Related Companies of California LLC in partnership with the St. Joseph Community Land Trust to construct and manage the Sugar Pine Village project.

Since June 2020, the City of South Lake Tahoe has been an active partner in the development of the project. As a first step of financial commitment, the City Council at its November 17th, 2020 meeting authorized a $566,629 loan for predevelopment costs (Resolution 2020-109) and a $1,250,000 loan to purchase banked land coverage at the airport (Resolution 2020-110). The loans were funded by Program Income from repayments of loans from the Redevelopment Agency (RDA) Low- and Moderate-Income Housing Fund and the City's undesignated reserve fund, respectively. At its October 19, 2021 meeting the City Council also approved a $627,626 loan of HOME Program Income. This brings the City's total commitment toward the project to $2,441,629.

In addition to direct City commitments, the City has partnered with Related Development to secure $17,359,470 in Affordable Housing and Sustainable Communities (AHSC) grant funds, $5,000,000 in Permanent Local Housing Allocation (PLHA) grant funding, $5,162,446 in HOME Investment Partnership Program funding (HOME), and $10,000,000 from Local Grant Matching Grant (LGMG).

Related California has also secured $20,000,000 in Multifamily Housing Program (MHP) funding and $3,195,900 in Infill Infrastructure Grant (IIG) funding so far in the financing phase of the project.

To date, approximately $40,000,000 in tax credits and grant applications have been applied for and secured using the City's initial approximate $1.8 million commitment as a local match.

Related California is phasing the financing and construction of the project into four phases. Phase 1A includes 68 residential units and is conducting site preparation this fall 2022. Phase 1B includes 60 units, Phase 2A 60 units and Phase 2B 60 units. The overall project also includes a community/property management building and a daycare/social services building.

The table below summarizes the financing strategy for the four phases and shows how the City contributions pair with other funding sources.

Source	Phase 1A	Phase 1B	Phase 2A	Phase 2B	Total
City RDA Loan	566,629	-	-		566,629
City Coverage Loan	254,487		995,513		1,250,000
HOME PI Loan		625,000			625,000
City Sources	821,116	625,000	995,513	-	2,441,629
Federal Tax Credit Equity	19,766,293	23,997,600	17,502,953	23,997,600	85,264,446
State Tax Credit Equity	5,722,864	6,765,714	10,759,258	2,750,475	25,998,311
Perm Loan	2,768,500	1,510,000	2,600,000	2,119,015	8,997,515
State MHP	12,127,500	7,448,016	-	9,800,000	29,375,516
State AHSC	-	-	10,551,967		10,551,967
State IIG	3,195,900	2,998,500	2,965,000	2,998,000	12,157,400
State PLHA	4,750,000	-	-		4,750,000
State HOME	-	5,162,446	-	5,910,614	11,073,060
State LGMG	5,638,066		4,304,935		9,943,001
Deferred Developer Fee	500,000		500,000		1,000,000
Leveraged Sources	54,469,122	47,882,276	49,184,113	47,575,704	199,111,215
Total Sources*	55,290,238	48,507,276	50,179,626	47,575,704	201,552,844

Committed	Applied For	Identified		N/A

*with the exception of Phase 1A does not represent total development cost, just sources identified/applied for; as additional funding sources become available, there may be additional applications not listed here

For Phase 1A of the project, the City's commitment of $821,116 has already been leveraged to secure $40,476,328 in Federal Tax Credit Equity, State Tax Credit Equity, Multifamily Housing Program Funds, PLHA, and State Infill Infrastructure Grant (IIG) funds, a 49x multiple on committed funds. Site preparation and infrastructure work commenced in September 2022 and vertical construction of the 68 units will take place once building season commences in May 2023.

The Community Building was not built as part of Phase 1A in response to rapidly escalating costs and interest rates. These cost and rate increases came unexpectedly after the original award of tax-exempt bonds and 4% tax credits to the project. The original CDLAC application included a cost estimate from September 2021, prior to the CDLAC award in December 2021. The Community Building will be built as part of a later phase. Escalating construction costs are being experienced nationally throughout the affordable housing industry. The development team is proposing a temporary structure to provide residents access to activities and services that would otherwise be administered at the Community Building. This is a short-term solution while the team

works to secure the financing necessary to build the permanent Community Building. This structure will satisfy all requirements through TCAC-CDLAC as well as HCD sources secured for the project. The proposed temporary structure will be reviewed for compliance with City land use and design standards through a Temporary Use Permit application. Related and the construction contractor are currently working to get updated pricing based on current market conditions for Phase 2A as well as the Community Building, which will allow for a clearer understanding of the financing needed to advance both this next residential phase as well as the construction of the Community Building.

For Phase 2A, The City's commitment of $995,513 has been leveraged to secure $17,359,470 in State AHSC funds. In addition to the approximate $10,600,000 in project costs, this award includes approximately $2,000,000 for the construction of a new 782 KW solar system at the City's Corp Yard and approximately $2,100,000 for complete street facilities on Tata Lane and approximately $2,000,000 for the purchase of two new buses serving the Capitol Corridor bus line. This is a 17x multiple on the City's commitment to Phase 2A to date, providing both affordable housing and funds for City infrastructure. Additional funding for Phase 2A is being identified as demonstrated above in the table.

HCD released the Multifamily Finance Super NOFA on June 16, 2022 to streamline four of HCD's rental housing programs to align eligibility criteria, scoring and release of funds through a coordinated single application and award process. Infill Infrastructure Grant Program (IIG) is one of the grant programs and is for up to $160 million. Sugar Pine Village qualifies under the Small Jurisdiction Set Aside and Qualifying Infill (IIG) program. The IIG Grant Program requires a letter of support be submitted for the Qualifying Infill Project from the local governing body.

Issue and Discussion: The IIG program's primary objective is to promote infill housing development and seeks to accomplish this objective by providing financial assistance for infrastructure improvements necessary to facilitate new infill development. The Related Companies of California, LLC is the applicant and has applied for funding Phase 2A ($2,965,000), Phase 1B ($2,998,500), and Phase 2B ($2,998,000).

It is recommended that the City Council approve a motion to authorize the Mayor to sign a letter of support for Sugar Pine Village Phase 2A, Phase 1B, and Phase 2B with Related Companies of California LLC under the Super NOFA for the IIG Program for an award amount of $8,961,500.

Financial Implications: Related Companies of California, LLC is the sole applicant for the Phase 2A, Phase 1B, and Phase 2B application and awarded funds would be provided directly to the developer from HCD.

Environmental Considerations: For projects that satisfy criteria specified by SB 35, the guidelines issued by HCD specify that the California Environmental Quality Act (CEQA) does not apply to actions taken by a local government to provide financial assistance to a development that receives streamlined approval and that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

Policy Implications: The recommended action is consistent with the City Strategic Plan which identifies supporting the Sugar Pine Village Project as Action Item 1.3.2.

The recommended action is also consistent with the following adopted policies and programs:

City General Plan Housing Element

Policy 1-1 The City shall adopt programs, ordinances, incentives, land use plans and other regulatory mechanisms that provide opportunities for the private sector to address the housing needs of citizens of all economic levels.

Policy 2-2 The City shall enable opportunities for deed-restricted affordable ownership housing to ensure long-term affordability.

Policy 2-5 The City shall recognize that it will become difficult to attract employees if they cannot afford to purchase or rent housing in South Lake Tahoe. The City shall encourage and support programs and activities that create a robust local economy that provides residents with good paying employment and the means to purchase and/or rent housing in the city.

Program 2-1 PURSUE STATE AND FEDERAL FUNDS
To support the creation of quality, affordable housing options for extremely low-, very low-, and low-income households, the City shall seek and when appropriate and feasible pursue grant opportunities for state and federal funds.

Program 2-6 ANALYSIS OF FEDERAL AND STATE LANDS
The City shall continue discussing the potential for developing quality workforce and affordable housing on non-environmentally sensitive lands owned by the California Tahoe Conservancy (Conservancy) and the United States Forest Service (USFS). The City shall ensure that important natural resources are protected and only pursue surplus lands that these agencies have determined do not have a clear and compatible conservation or recreation purpose consistent with agency goals.

Tahoe Valley Area Plan

Policy H-1.1 – Housing Options
Provide for a range of housing options that include affordable, moderate-income, and workforce housing so that people can live and work in the City.

Policy H-1.5 – Redirection of Development
Direct high density residential development to areas of Tahoe Valley that are within walking distance of public transit and services.

Policy H-1.7 – Tahoe Livable Communities Program
Collaborate and support efforts of the California Tahoe Conservancy to remove blighted properties and repurpose associated development commodities. Encourage the use of residential commodities for affordable housing in Tahoe Valley area.

Policy H-2.1 – General
Encourage the creation of residential uses to support and add vitality to commercial and public service projects in the Tahoe Valley area.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF STATE FINANCIAL ASSISTANCE
2020 W. El Camino Avenue, Suite 670, 95833
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 263-2771
www.hcd.ca.gov

June 16, 2022

MEMORANDUM FOR: POTENTIAL APPLICANTS

FROM: Jennifer Seeger, Deputy Director
Division of State Financial Assistance

SUBJECT: **Infill Infrastructure Grant Program of 2019**
Notice of Funding Availability for Small Jurisdiction Set Aside and Qualifying Infill Areas

The California Department of Housing and Community Development (Department or HCD) is pleased to announce the release of this Notice of Funding Availability (NOFA) for approximately $160 million in funds available under the Infill Infrastructure Grant Program of 2019 (IIG-2019 or Program).

The primary goal of IIG-2019 is to promote infill housing development by providing financial assistance for Capital Improvement Projects (Capital Improvement Projects or CIP) that are an integral part of, or necessary to facilitate the development of, a Qualifying Infill Project (Qualifying Infill Project or QIP) or a Qualifying Infill Area (Qualifying Infill Area or QIA). Under the Program, grants are available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects or areas.

Application materials must be submitted electronically via the Financial Assistance Application Submittal Tool (FAAST) system, available online at https://faast.waterboards.ca.gov as follows:

Small Jurisdictions (QIAs and QIPs)	Over-the-Counter applications accepted August 25, 2022 through September 22, 2022*
Large Jurisdictions (QIAs only)	August 25, 2022

**if funds remain after the September 22, 2022 closing date, the Department will reopen the NOFA for a subsequent round of OTC applications.*

Regarding the applications from Small Jurisdictions, the Department will begin accepting applications and awarding funding on a first-come, first-served basis beginning August 25, 2022, until September 22, 2022 (or such time as the Department has received enough eligible applications to reasonably use all the available funds, whichever occurs first).

The FAAST portal application upload and submittal instructions will be released with the application documents. HCD will no longer accept hardcopy submittals. Personal deliveries will not be accepted. No facsimiles, incomplete applications, application revisions, or walk-in application packages will be accepted.

The NOFA application, online workshop details, and IIG-2019 Guidelines are posted on HCD's website at https://www.hcd.ca.gov/infill-infrastructure-grant. The NOFA application will be available and posted to the website no later than June 30, 2022. To receive information regarding online workshops and other updates, please subscribe to the HCD email list at https://www.hcd.ca.gov/i-am/sub_email.shtml.

If you have further questions, please contact infill@hcd.ca.gov.

Attachment

INFILL INFRASTRUCTURE GRANT PROGRAM OF 2019

2022 Notice of Funding Availability
Small Jurisdiction Set Aside and Qualifying Infill Areas

Gavin Newsom, Governor
State of California

Lourdes M. Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
California Department of Housing and Community Development

2020 West El Camino Avenue, Suite 500, Sacramento, CA 95833
Telephone: (916) 263-2771
Website: https://www.hcd.ca.gov/grants-funding/active-funding/iigp.shtml
Email: infill@hcd.ca.gov

June 16, 2022

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I. Overview

A. Notice of Funding Availability

The California Department of Housing and Community Development (Department or HCD) is pleased to announce the initial release of this Infill Infrastructure Grant Program of 2019 (IIG-2019) Notice of Funding Availability (NOFA) for approximately $160 million in funds. IIG provides grant assistance available as gap funding for infrastructure improvements necessary for specific residential or mixed-use infill development projects. Under IIG, eligible infrastructure improvements are referred to as Capital Improvement Projects, which are an integral part of, or necessary to facilitate the development of, a Qualifying Infill Project or Qualifying Infill Area.

This NOFA will provide financial assistance to nonprofit or for-profit Developers, cities, counties, or public housing authorities for Capital Improvement Projects in support of:

- Qualifying Infill Areas in Small Jurisdictions (for which funding will be allocated through an Over-the-Counter process)
- Qualifying Infill Projects in Small Jurisdictions (for which funding will be allocated through an Over-the-Counter process)
- Qualifying Infill Areas in Large Jurisdictions (for which funding will be allocated through a competitive process, based on the merits of the individual applications)

Small Jurisdiction is defined as a county with a population of less than 250,000 as of January 1, 2019, or any city within that county, pursuant to Health and Safety Code Section 53559.1 (amended by Stats. 2020, ch. 192 (AB 434)).

Large Jurisdiction is defined as any county that is not a Small Jurisdiction.

Funding for this NOFA is provided by the General Fund (as appropriated in the 2021 Budget Act):

IIG-2019	Approximate Funding Available
Small Jurisdictions (QIA and QIP)	$90 million
Large Jurisdictions (QIA only)	$70 million
Total NOFA funds available:	**$160 million**

Where practical, IIG-2019 was aligned with AB 434 programs for consistency and expediency. Nevertheless, the IIG-2019 Guidelines maintain the distinctive features of the Program by establishing Program-specific threshold criteria and other Program-specific provisions.

B. Timeline

Small Jurisdictions:

NOFA Release	**June 16, 2022**
Application Release	**June 30, 2022**
NOFA Application Portal (FAAST) Opens	**August 25, 2022**
Application Period* (Over-the-Counter)	**Between August 25, 2022 and September 22, 2022 by 4:00 p.m. PDT**
Award Announcements	**Ongoing**

**This cutoff is necessary to coordinate application submittals under this NOFA with applications submitted under the Multifamily Super NOFA as described in Section III.E below. If funds remain after the September 22, 2022, closing date, the Department will reopen the NOFA for a subsequent round of OTC applications.*

Large Jurisdictions:

NOFA Release	**June 16, 2022**
Application Release	**June 30, 2022**
NOFA Application Portal (FAAST) Opens	**June 30, 2022**
Application Due Date	**August 25, 2022 by 4:00 p.m. PDT**
Award Announcement	**December, 2022**

C. Authorizing Legislation, Regulations, and Guidelines

Applications submitted under this NOFA are subject to the Infill Infrastructure Grant Program of 2019 Guidelines (IIG-2019 Guidelines), dated March 30, 2022, and as published on the Department's website at https://www.hcd.ca.gov/super-nofa-final-program-guidelines, all applicable statutory requirements, and this NOFA. Section references in this NOFA refer to IIG-2019 Guidelines unless otherwise noted. Capitalized terms in this NOFA are either defined herein or in the IIG-2019 Guidelines. The IIG-2019 Guidelines and NOFA are available on the IIG website at https://www.hcd.ca.gov/infill-infrastructure-grant.

The administration of IIG-2019 is governed by the IIG-2019 Guidelines that implement, interpret, or make specific the requirements set forth in Health and Safety Code Sections 53559, 53559.1, and 53599.2. IIG-2019 was established by

Part 12.5 (commencing with Section 53559) of Division 31 of the Health and Safety Code.

The IIG-2019 Guidelines create two separate rating components to which the Department will dedicate a specified amount of funds:

1. Qualifying Infill Areas in Large Jurisdictions.

    a. For Qualifying Infill Areas in Large Jurisdictions, funds will be allocated through a competitive process, based on the merits of the individual applications;

    b. Applications shall be rated using the Scoring Criteria outlined in Section IV ("Scoring Criteria") below. The Scoring Criteria includes the following scoring categories: extent to which the project serves households at the lowest income levels, state policy priorities, project Applicant and property manager experience, project readiness, adaptive reuse/infill/proximity to amenities, sustainable building methods, and cost containment, and Prohousing Policies.

2. Qualifying Infill Projects and Qualifying Infill Areas in Small Jurisdictions.

    a. Applications for Qualifying Infill Projects and Qualifying Infill Areas in Small Jurisdictions will be accepted and evaluated for threshold requirements and eligibility on a continuous basis via an Over-the-Counter (OTC) process;

II. Program Requirements

***The information provided below is a summary of the programmatic requirements detailed in the IIG-2019 Guidelines. All applicants are encouraged to read the IIG-2019 Guidelines in their entirety prior to applying. ***

A Project is not eligible for an award unless it meets all the threshold requirements of IIG-2019. All Applicants are encouraged to review the IIG-2019 Guidelines Sections 200 ("Eligible Capital Improvement Projects") and 202 ("Threshold Requirements") for complete information.

Further, applications from Large Jurisdictions applying for a Qualifying Infill Area must achieve a minimum point score of 90 points in Scoring Criteria to be considered for a funding award. Please review the IIG-2019 Guidelines Section 402 ("Application Scoring and Selection Criteria") and Section IV ("Scoring Criteria") below for complete information on application scoring.

A. Eligible Applicants

1. Eligible Applicants shall be one of the following:

a. A city, county, city and county, or public housing authority that has jurisdiction over a Qualifying Infill Area, or

b. A nonprofit or for-profit Developer of a Qualifying Infill Project that has received a letter of support from the governing body of the city, county, or city and county that has jurisdiction over a Qualifying Infill Project. The Department must receive the letters of support within 60 days of the application submittal. For purposes of this paragraph, "governing body" means a city council or a board of supervisors of a county or city and county. A nonprofit or for-profit Developer may include a Tribally Designated Housing Entity that is the Developer of a Qualifying Infill Project.

For the purpose of Section 201, "public housing authority" shall be interpreted to include Tribally Designated Housing Entity as defined at 25 USC 4103 (22).

For additional experience and capacity requirements please see Section 201 ("Eligible Applicant") of the IIG-2019 Guidelines.

2. Definition of Small Jurisdictions and Large Jurisdictions

Based on the Department of Finance provided provisional population and housing estimates for the state, counties, and cities dated January 1, 2019. (E-5 Population and Housing Estimates for Cities, Counties, and the State – January 1, 2011-2019), the following counties meet the eligibility criteria of Small and Large Jurisdictions:

a. Small Jurisdictions - The report identified the following counties as having less than 250,000 residents. As such, these counties meet the eligibility criteria of a Small Jurisdiction:

Alpine	Kings	San Benito
Amador	Lake	Shasta
Butte	Lassen	Sierra
Calaveras	Madera	Siskiyou
Colusa	Mariposa	Sutter
Del Norte	Mendocino	Tehama
El Dorado	Modoc	Trinity
Glenn	Mono	Tuolumne
Humboldt	Napa	Yolo
Imperial	Nevada	Yuba
Inyo	Plumas	

Counties that are not included qualify for Large Jurisdictions and are found below.

b. Large Jurisdictions

The report identified the following counties as having 250,000 or more residents. As such, these counties meet the eligibility criteria of a Large Jurisdiction:

Alameda	Sacramento	Sonoma
Contra Costa	San Bernardino	Stanislaus
Fresno	San Diego	Tulare
Kern	San Francisco	Ventura
Los Angeles	San Joaquin	
Marin	San Luis Obispo	
Merced	San Mateo	
Monterey	Santa Barbara	
Orange	Santa Clara	
Placer	Santa Cruz	
Riverside	Solano	

B. Eligible Use of Funds

To be eligible for funding, a Capital Improvement Project must be an integral part of or be necessary to facilitate the development of a Qualifying Infill Project or a Qualifying Infill Area. In addition, eligible Projects must meet the requirements set forth in Section 200 ("Eligible Capital Improvement Projects") of IIG-2019 Guidelines.

IIG funds shall be used only for approved eligible costs that are incurred on the Capital Improvement Projects as set forth in the Guidelines Section 203 ("Eligible Use of Funds"). In addition, the costs must be necessary and consistent with the lowest reasonable cost consistent with the Project's scope and area as determined by the Department.

C. Program Funding Amounts and Terms

1. Funding Limits

Qualifying Infill Project	Minimum Award	$1 million
	Minimum Award (Rural Areas)	$500,000
	Maximum Award	$7.5 million

Qualifying Infill Areas	Minimum Award	$2 million
	Minimum Award (Rural Areas)	$1 million
	Maximum Award	$30 million

Over the life of the IIG program (to include the Infill Incentive Grant Program of 2007, the Infill Infrastructure Grant Program of 2019, and any future iterations of the Program), the total of all Program Awards for any single Qualifying Infill Project or Qualifying Infill Area shall not exceed $60 million.

2. Grant Calculation

Pursuant to Section 205 ("Grant Terms and Limits") of the IIG-2019 Guidelines, the total grant amount shall be determined by the number of Units in the Qualifying Infill Project or the Qualifying Infill Area, the bedroom count of these Units, and the density and affordability of the housing to be developed. The total eligible grant amount shall be based upon the lesser of the amount necessary to fund the Capital Improvement Project or the maximum amount permitted by the IIG Grant Amount Calculation table, whichever is less. See the IIG Grant Amount Calculation table below.

IIG Grant Amount Calculation (Amounts[1] are represented on a per unit basis)					
Income Level & Tenure	**0-Bdrm**	**1-Bdrm**	**2-Bdrm**	**3-Bdrm**	**4-Bdrm**
200% FMR[2] or exceeds CALHFA Sales Prices	$4,000	$8,000	$11,900	$15,900	$19,900
Program Unrestricted[3]	$26,500	$30,500	$35,400	$43,700	$47,700
Moderate Income Owner	$30,500	$34,400	$41,100	$49,000	$52,900
Low Income Owner	$34,400	$38,400	$46,300	$54,200	$59,600
60% AMI Rental	$34,400	$38,400	$46,300	$54,200	$59,600
50% AMI Rental	$39,800	$45,000	$51,600	$62,100	$66,200
30% AMI Rental	$46,300	$49,000	$55,600	$71,500	$75,400

**Increase based on December Consumer Price Index at https://data.bls.gov/pdq/SurveyOutputServlet?data_tool=dropmap&series_id=CUUR0400SA0,CUU per U.S. Bureau of Labor Statistics (BLS).*

Grant amounts established by the IIG Grant Amount Calculation table may be increased based on proposed housing Units per acre, as represented in the following Net Density Adjustment Factor table below:

[1] *Increase based on December Consumer Price Index per U.S. Bureau of Labor Statistics (BLS).*

[2] *200 percent Fair Market Rent (FMR) Unit: A 200 percent FMR Unit is a rental unit with a proposed monthly rent, which is equal to or greater than 200 percent of its county's FMR as defined by HUD.*

[3] *IIG Unrestricted: An unrestricted unit for the purposes of calculating grant amounts in IIG is any unit not restricted at the other levels identified in IIG-2019 Guidelines Definition section, but also not meeting any of the above definitions.*

Net Density Adjustment Factor	
Net Density (Housing units per acre)	**Adjustment Factor**
Fewer than 45	1
45 – 49.9	1.04
50 – 54.9	1.08
55 – 59.9	1.12
60 – 64.9	1.16
65 – 69.9	1.20
70 – 74.9	1.24
75 – 79.9	1.28
80 – 84.9	1.32
85 – 89.9	1.36
90 – 94.9	1.40
95 – 99.9	1.44
100 – 104.9	1.48
105 and above	1.52

3. Award Terms

Grant terms will be outlined in the Standard Agreement.

The terms of the award are set forth in the Performance Deadlines subsection of this NOFA below.

There shall be a Covenant recorded against the fee interest of the real property site(s) of the Qualifying Infill Project or Qualifying Infill Area. This Covenant shall impose development, use, and affordability restrictions upon the real property. The Covenant shall be binding, effective and enforceable commencing upon its execution and shall continue in full force and effect for a period of not less than 55 years for Rental Housing Developments (or 30 years for Homeownership Housing Developments) after a certificate of occupancy or its equivalent has been issued for the Affordable Housing Development by the local jurisdiction or, if no such certificate is issued, from the date of initial occupancy of the Affordable Housing Development.

Where the Qualifying Infill Project or Qualifying Infill Area is receiving low-income housing tax credits, the Recipient may provide Program funds to the Sponsor of the Qualifying Infill Project in the form of a zero percent deferred payment loan, with a term of at least 55 years. The loan may be secured by a deed of trust, which shall be subordinate to all Department loan and grant documents, and which may be recorded with the local county recorder's office, provided the beneficiary of the loan shall not under any circumstances exercise any remedy, including, without limitation, foreclosure, under the deed of trust without the prior

written consent of the Department, in its sole and absolute discretion.

Additional requirements are set forth in Section 205 ("Grant Terms and Limits") of the IIG-2019 Guidelines.

4. Performance Deadlines

   a. The Qualifying Infill Project shall complete construction of the housing units which were used as the basis for calculating the Program Award within three years of securing all permanent financing commitments. Completion of construction must be evidenced by a certificate of occupancy or equivalent documentation submitted to the Department.

   b. Program funds must be disbursed by the liquidation date of June 30, 2026. The Recipient must submit final disbursement requests no later than March 31, 2026.

   c. In addition, all Recipients will be subject to the Department's Disencumbrance Policy. The Disencumbrance Policy, Administrative Notice Number 2022-02 dated March 30, 2022, and as published on the Department's website at https://www.hcd.ca.gov/grants-and-funding, is hereby incorporated by this reference to the IIG-2019 Guidelines as if set forth in full herein, and shall apply with equal force as all other provisions set forth herein. Failure to deliver the Project as approved by the Department within applicable timeframes is also a basis for negative points assessment under the Negative Points Policy Section 102(e).

D. Site Control

The Qualifying Infill Project, Qualifying Infill Area, and Capital Improvement Project shall comply with the site control requirements as set forth in UMR Sections 8303 and 8316, with the additional requirements that the Applicant shall demonstrate site control at the time of application and shall maintain site control throughout the term of the Award, as stated in the IIG-2019 Guidelines and this NOFA.

1. The following additional requirements shall apply to Qualifying Infill Projects and Qualifying Infill Areas:

   a. Where site control is in the name of another entity, the Applicant shall provide documentation, in form and substance reasonably satisfactory to HCD (e.g., a purchase and sale agreement, an option, a leasehold interest/option, a disposition and development agreement, an exclusive right to negotiate with a public agency for the acquisition of the site), which clearly demonstrates that the Applicant has some form of right to acquire or lease the project property (e.g., the entity's organizational documents, a purchase and sale agreement, an option, an assignment).

b. Where site control will be satisfied by a long-term ground lease, the Department will require the execution and recordation of the Department's form lease rider, which shall be entered into by and among the ground lessor, the ground lessee, the Department, and any other applicable parties. In all cases, the lease rider shall be recorded against the fee interest in the project property.

2. The following shall apply to offsite work proposed for Capital Improvement Projects and shall be evidenced prior to the disbursement of Program funds:

   a. Recipient/Sponsor shall have a right of way or easement, which is either perpetual, or of sufficient duration to meet Program requirements, and which allows the Recipient and/or Sponsor to access, improve, occupy, use, maintain, repair, and alter the property underlying the right of way or easement; and

   b. Recipient/Sponsor shall have an executed encroachment permit for construction of any improvements or facilities within the public right of way or on public land.

3. For Qualifying Infill Projects and Capital Improvement Projects developed in Indian Country, the following exceptions to the foregoing requirements apply:

   a. Where site control is a ground lease, the lease agreement between the Tribal Entity and the Sponsor/project owner is for a period not less than 50 years; and

   b. An attorney's opinion regarding chain of title and current title status is acceptable in lieu of a title report.

E. Geographic Distribution of Funds and Use of Discretionary Funds

1. <u>Geographic Distribution of Funds: Large Jurisdictions Only</u>

   To the extent possible, the Department will target 48 percent of the total funds to Projects in Southern California, 32 percent to Northern California, and 10 percent to Projects in Rural areas. Ten (10) percent shall not be subject to a specific geographic distribution. In its sole discretion, HCD may determine the geographic distribution targets have been met based either on individual Program funding components or on the amount of total funds awarded under this NOFA.

   a. For the purpose of geographic distribution, "Rural" is defined to be consistent with the definition used by the Tax Credit Allocation Committee (TCAC) for the tax credit program. A list of Rural areas, as well as the

methodology to determine Rural or Non-Rural status, can be found on TCAC's website at https://www.treasurer.ca.gov/ctcac/ and in the 2022 Methodology for Determining Rural Status of Project Site for 2021 Applications Memo at https://www.treasurer.ca.gov/ctcac/2022/rural-status.pdf.

Geographic Distribution (Large Jurisdictions only)		
Northern	Alameda, Contra Costa, Fresno, Marin, Merced, Monterey, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare	32% of NOFA funds
Southern	Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Ventura	48% of NOFA funds
Rural	A list of Rural areas, as well as the methodology to determine Rural or Non-Rural status, can be found on TCAC's website at https://www.treasurer.ca.gov/ctcac/ and in the 2022 Methodology for Determining Rural Status of Project Site for 2021 Applications Memo at https://www.treasurer.ca.gov/ctcac/2022/rural-status.pdf.	10% of NOFA funds

Approximately ten (10) percent of the total NOFA funds for Large Jurisdictions shall be used to facilitate full gap funding of Projects pursuant to this NOFA and to award highest scoring Projects without regard to regional location goals.

F. Funding Limits

Use of multiple HCD funding sources on the same Assisted Units is permitted, subject to the following limitations. (For the purpose of identifying funding limits, Units used in the calculation of IIG grant amounts will be considered assisted):

1. The HCD Repeal of Stacking Prohibition of Multiple Department Funding Sources Memorandum, dated August 20, 2021, shall remain applicable. A maximum of four HCD funding sources comprised of no more than two development loans and two housing-related infrastructure grants may be used on a single project. Housing related infrastructure grants are those grants provided through the Affordable Housing and Sustainable Communities Program (AHSC) and include the following: Housing Related Infrastructure (HRI) grants, Transit-Oriented Development (TOD) Implementation Program - Infrastructure grants, Infill Incentive Grant Program of 2007 (IIG-2007), and Infill Infrastructure Grant Program of 2019 (IIG-2019).

2. Total HCD funding, including NOFA funds, shall not exceed the following percentages of the total development cost:
   - 40 percent for projects utilizing 9 percent tax credits
   - 50 percent for projects utilizing 4 percent tax credits
   - 75 percent for projects not utilizing tax credits

   For the purposes of calculating total HCD funding, all funding, inclusive of prior awards received, any funds awarded under this NOFA, and any applicable future HCD awards subsequent to any NOFA Award shall be considered.

   All Department funding sources listed in the HCD Repeal of Stacking Prohibition of Multiple Department Funding Sources Memorandum, dated August 20, 2021, are applicable to the percentages of total development cost listed above. These Department funding sources include both loans and grants. This HCD-wide Department funding cap applies not only to 2022 NOFA Awards, but to all Department Awards.

   At the sole discretion of the Director of HCD, funding levels in excess of the percentages above may be approved as exceptions to the limits if they uniquely advance state policy priorities. Examples include large development projects that include transformative community investments and advance climate goals through infill development, high density construction and proximity to transit.

   To request an exception, the project Sponsor/Applicant must submit justification prior to their application under this NOFA. Exception requests will be evaluated on a first-come, first-served basis and it is in the Sponsor's/Applicant's interest to submit justification as early as possible. After justifications are submitted, a recommendation from staff will be made based upon the strength of evidence and offered to the Director's Office for consideration. If approved, Applicants must submit documentation of Department approval with any subsequent

Department applications for the applicable project. A form for outlining the justification of the exception request will be provided by the Department and require evidence of financial necessity.

G. Threshold

To be considered for Program funding, all Large Jurisdiction Qualifying Infill Area applications must include a Qualifying Infill Project, including those Qualifying Infill Projects used to establish the eligibility of a Qualifying Infill Area. This provision does not apply to Small Jurisdiction Qualifying Infill Area applications.

In addition, a Project is not eligible for an Award unless it meets all the threshold requirements of the Program. Please review the full list of threshold requirements set forth in IIG-2019 Guidelines Sections 200 ("Eligible Capital Improvement Projects") and 202 ("Threshold Requirements") for complete information, including the specific information on requirements for Small (see IIG-2019 Section 200(e)) and Large Jurisdictions (see IIG-2019 Section 200(d)).

H. Scoring and Ranking: Qualifying Infill Areas in Large Jurisdictions

Please note: Applications from Small Jurisdictions submitted in response to this NOFA are not subject to rating and ranking.

Applications from Large Jurisdictions submitted in response to this NOFA will be rated based on the following criteria:

1. Scoring Overview

   Qualifying Infill Project applications shall be rated based on the criteria set forth in Section 402 ("Application Scoring and Selection Criteria for Qualifying Infill Areas in Large Jurisdictions") of the IIG-2019 Guidelines. For the purposes of the NOFA, the details of Scoring Criteria have been outlined in Section IV ("Scoring Criteria") of this NOFA.

   Applications that pass the initial threshold review will be scored using the Scoring Criteria outlined below. In the event of tied point scores, HCD shall rank tied applications based on three factors pursuant to the tie-breaker system detailed in the Scoring Criteria: the lowest weighted average affordability of all residential units, leverage of other funds, and cost containment.

   Incomplete applications or others not expected to receive an Award of funds due to relatively low scores may not be fully evaluated.

2. Ranking Overview

   Applications meeting all the threshold requirements of IIG-2019 and achieving a minimum point score of 90 points in Scoring Criteria will be considered for funding

pursuant to the process described below. Please note, however, that regional targets and set-asides will only be funded to the extent that eligible applications (those meeting all threshold requirements including minimum point score) exist. If the Department receives fewer eligible applications than funding available, any unawarded funds within the regional targets or set-asides may be used to fund remaining eligible applications based on ranked score.

I. Negative Points and Disencumbrance Policies

The Department's Negative Points Policy (Administrative Notice Number 2022-01), dated March 30, 2022 and Disencumbrance Policy (Administrative Notice Number 2022-02), dated March 30, 2022 and published on the Department's website at http://www.hcd.ca.gov/grants-and-funding, are hereby incorporated by this reference to this NOFA as if set forth in full herein, and shall apply with equal force as all other provisions set forth herein.

If the Recipient/Applicant is subject to a negative points assessment based on the criteria outlined in the Department's Negative Points Policy or is determined to be ineligible for funding, HCD shall notify the Recipient/Applicant in writing in the initial point score letter.

III. Application Submission and Review Procedures

A. Application Submission Process

Applications must meet eligibility requirements upon submission. See Program Requirements above for eligible Applicants, eligible Projects, and eligible uses of funds. Applications that do not meet the filing deadline requirements will not be eligible for funding. Applications must be on HCD's forms and cannot be altered or modified by the Applicant. It is the Applicant's responsibility to ensure the application is clear, complete, and accurate. Excel forms must be submitted in Excel format, not a PDF document.

For application forms, visit the Department's website at: http://www.hcd.ca.gov/grants-and-funding.

B. Electronic Submission

Application materials must be submitted electronically via the Financial Assistance Application Submittal Tool (FAAST) system at https://faast.waterboards.ca.gov.

Original "wet signature" documents are no longer required or accepted. **Applicants must submit all application materials to the FAAST system no later than 4:00 p.m. Pacific Daylight Time on September 22, 2022, for Small Jurisdictions and August 25, 2022, for Large Jurisdictions.**

Requirements for uploading the NOFA application and required supporting documentation, including naming conventions, are described in the NOFA application instructions page. Do not modify naming conventions when uploading documents.

Over-the-Counter applications will be accepted beginning on the date set forth in this NOFA and reviewed on a first-come, first-served basis. Projects will be selected for Award based on order of submittal.

C. Application Workshops and Pre-Application Consultation

HCD will conduct application workshops and/or webinars for the NOFA. Please visit the IIG-2019 website at https://www.hcd.ca.gov/infill-infrastructure-grant for the dates and registration information. Pre-application consultations are also available and can be requested by contacting infill@hcd.ca.gov.

D. Disclosure of Application

Information provided in the application will become a public record available for review by the public pursuant to the California Public Records Act (Gov. Code, § 6250 et seq.). As such, any materials provided are subject to disclosure to any person making a records request under this Act. HCD cautions Applicants to use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, social security numbers, personal phone numbers, and home addresses. By providing this information to HCD, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

E. Concurrent Applications

Due to the unique circumstances of the current challenging funding environment, the Department will allow NOFA Applicants to pursue more than one funding scenario. This means that a separate, concurrent application to other HCD program funding source(s) is permitted under this NOFA. These Applicants, however, MUST submit within each application a disclosure of all HCD applications under review or anticipated to be submitted. All anticipated applications with NOFAs subsequent to this NOFA application due date must be disclosed to NOFA staff no later than September 22, 2022. In addition, Applicants must notify NOFA Program staff via the NOFA mailbox at the time the second application is submitted (infill@hcd.ca.gov).

In instances where such Applicants are competitive for an Award, the Department will also engage in consultation with Applicants to discern which funding scenario(s) are optimal for project feasibility while balancing cost containment. However, it is the Department's intent to avoid any possibility of over-subsidizing.

In the absence of compelling reasons to do otherwise, HCD's approach for NOFA Applicants will be to reduce the NOFA Award commensurately with any amounts awarded under another HCD program. The Department retains full discretion and

authority to determine which funding scenarios are optimal both from a project-specific perspective, as well as policy perspective.

1. Multifamily Finance Super NOFA vs Stand-Alone IIG-2019 NOFA

   Qualifying Infill Project applications from Small Jurisdictions are eligible to apply under this NOFA as well as the Multifamily Finance Super NOFA (Super NOFA).

   For Small Jurisdictions, application documents will be similar to minimize duplication of effort for those who wish to pursue both opportunities simultaneously. However, Applicants must indicate in both applications that they have entered into both the IIG-2019 and the Super NOFA competitions.

   Furthermore, the financing structure and the Development Sources sheets of the Super NOFA and the stand-alone IIG-2019 NOFA applications must be identical. Any differences in proposed financing will result in disqualification from both Award opportunities. The Department strongly encourages Applicants to determine whether one program is a better fit for their project rather than duplicate applications (e.g., IIG-2019 Small Jurisdiction Over-the-Counter process requires 50 percent developed boundary, whereas IIG in the Super NOFA requires a 75 percent developed boundary). Projects that will require an Award of the Multifamily Housing Program (MHP), the Veterans Housing and Homelessness Prevention Program (VHHP), or the Joe Serna, Jr. Farmworker Housing Grant Program (FWHG or Serna) are encouraged to apply exclusively to the Super NOFA.

F. Prior Awards

Applicants seeking to substitute previously awarded funds, including but not limited to substitutions to increase the amount of an Award, must first withdraw their previous Award in writing and provide reasonable justification that the substitution is necessary to ensure project feasibility. A consultation with Department Program staff is required at the time of the withdrawal. Substitutions based solely upon Applicant preference or convenience will not be permitted. However, it is allowable for Applicants that wish to retain their previous Award to apply for another funding source available within this NOFA, so long as the previous Award is unmodified. In this case, the Department will also allow previously awarded projects to lower their proposed income targets from one application to the next, so long as the total unit count remains the same. The Department will restrict units to the lowest targeting across all awarded funds and will require projects awarded from a program with prioritized target populations to maintain the special population units (increasing target population and/or Restricted Units is permitted). However, for projects proposing a reduction to AMI levels on the unit mix, the awardee must engage with Program staff of their prior Award and

confirm the change does not impact project feasibility and would not cause a reduction in awarded funds pursuant to that program's requirements.

G. Significant Changes in Project After Application

The Department will review and score based on information provided in the application. If there is a significant departure from the application, the Department may re-evaluate the project's score, reduce the grant amount, or assign negative points to the Applicant.

IV. Scoring Criteria for Large Jurisdiction QIA only

A. Summary

The criteria detailed below and summarized in the following table shall be used to rate applications:

Point Score Criteria (Used in project ranking separate from Threshold Review)		
Criterion		**Maximum Score**
Scoring Criteria	Extent to Which the Project Serves Households at the Lowest Income Levels	30
	State Policy Priorities	7
	Project Sponsor / Applicant and Property Management Experience	20
	Project Readiness	20
	Adaptive Reuse / Infill / Proximity to Amenities / Sustainable Building Methods	21
	Cost Containment	5
	Prohousing Policies	5
Total Possible Points		108

B. Extent to which the project serves households at the lowest income levels (30 points maximum)

If a project includes both rental and ownership units, scores will be calculated separately for the rental portion of the project and the ownership portion of the project and then scaled proportionally to create one final score. For example, if 65 percent of the units in the project are rental units and 35 percent of the units in the project are ownership units, the rental units will receive one score (out of 30) based on the rating criteria for rental units and the ownership units will receive another score (out of 30) based on the rating criteria for ownership units. The final score for the project (out of

30) will be calculated by adding 65 percent of the rental score and 35 percent of the ownership score.

Applications will be scored based on the percentage of Restricted Units limited to various percentages of AMI, adjusted by household size, and as follows (please see different rating criteria for rental and ownership projects):

1. Rental Units

   A maximum of 30 points will be awarded based on the Lowest Income Points Table below.

   The “Percent of Area Median Income” or “AMI” category may be used only once. For instance, 50 percent of Restricted Units at 50 percent of AMI cannot be used twice for 100 percent of units at 50 percent AMI and receive 25 points, nor can 50 percent of Restricted Units at 50 percent of AMI for 12.5 points and 40 percent of Restricted Units at 50 percent of AMI be used for an additional 10 points. However, the “Percent of Restricted Units” may be used multiple times. For example, 50 percent of Restricted Units at 50 percent of AMI for 12.5 points may be combined with another 50 percent of Restricted Units at 45 percent of AMI to achieve the maximum points.

   Point values that are only available to projects in Rural Areas are marked with an asterisk.

Lowest Income Points Table									
Percent of Area Median Income (AMI)									
Percent of Restricted Units		55%	50%	45%	40%	35%	30%	25%	≤20%
	50%	5*	12.5*	16.9	17.5	18.75	30	30	30
	45%	5*	11.25*	16.9	17.5	18.75	30	30	30
	40%	5*	10	15	17.5	18.75	27.5	30	30
	35%	4.4*	8.75	13.15	17.5	18.75	25	27.5	30
	30%	3.75*	7.5	11.25	15	18.75	22.5	25	30
	25%	3.15*	6.25	9.4	12.5	15.65	18.75	21.9	25
	20%	2.5*	5	7.5	10	12.5	15	17.5	20
	15%	1.9*	3.75	5.65	7.5	9.4	11.25	13.1	15
	10%	1.25*	2.5	3.75	5	6.25	7.5	8.75	10

To receive any points in this category, at least 10 percent of the Restricted Units must be restricted to households with incomes not exceeding 30 percent of AMI.

Deeply Affordable Units under this paragraph (2) - those units with up to 30 percent AMI targeting - cannot be concentrated among a project's smaller units. They must be distributed proportionately across all unit sizes, or, alternately, more heavily represented among larger units. To ensure a proportional spread of deeply Affordable Units, at least 10 percent of the larger units in the project must be provided at 30 percent of AMI, as applicable. So long as the Applicant meets the 10 percent standard project-wide, the 10 percent standard need not be met among all the smaller units.

Example:

60 Total Units in project	Required ELI Units (30% AMI)
18 three-bedroom	2 units
21 two-bedroom	3 units
21 one-bedroom	1 unit
Total (10%)	6 units

In projects that rely on renewable project-based rental assistance contracts to maintain Fiscal Integrity consistent with the targeted income limits (and associated tenant Rents), scores will be based on the applicable income and Rent limits.

2. Ownership Units

A maximum of 30 points will be awarded based on the criteria below:

Applications will be awarded points based on the percentage of units in the Qualifying Infill Projects within a Qualifying Infill Area restricted to occupancy by various income groups. Applications designating ownership units must utilize the scale set forth below. Where appropriate based on the mix of income groups, applications must demonstrate units affordable to Lower-Income groups are spatially integrated throughout the Qualifying Infill Projects within a Qualifying Infill Area.

Owner-occupied units shall be subject to a recorded Covenant with a duration of at least 30 years that includes either a resale restriction or a requirement for sharing equity upon resale. The following scale must be used for developments that include ownership units:

a. 0.15 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Moderate Income limit.

b. 0.40 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the Lower Income limit.

C. State Policy Priorities (7 points maximum)

1. Projects located in a “High Resource” or “Highest Resource” Area as shown on the TCAC/HCD Opportunity Area Map (5 points)

An Applicant may choose to utilize the applicable census tract, or census block group, or resource designation from the TCAC/HCD Opportunity Area Maps in effect when the initial site control (pursuant to UMR Section 8303(a)) was obtained up to seven (7) calendar years prior to the application.

2. Public Excess Lands (2 points maximum)

   Two (2) points will be awarded if a new construction project is located on a site selected under Executive Order N-06-19 to enter into a ground lease with the state to create affordable housing on excess state-owned property.

D. Project Sponsor/Applicant and Property Management Experience (20 points maximum)

1. Rental Units

   NOTE: The Applicant's experience will be evaluated in addition to Sponsor experience for housing development (Applicant and Sponsor may or may not be the same entity).

   "Projects" as used in paragraphs (2) and (3) below means Rental Housing Developments of over ten (10) Affordable Units that are subject to a recorded Regulatory Agreement, or, in the case of housing on Indian Country, where federal United States Department of Housing and Urban Development (HUD) funds have been utilized in affordable rental developments. Points in paragraphs (2) and (3) will be awarded in the highest applicable category and are not cumulative. For points to be awarded in paragraph (3), an enforceable management agreement executed by both parties for the subject application must be submitted at the time of application.

   By applying for and receiving points in these categories, Applicants certify that the property shall be owned and managed by entities with equivalent experience scores for the entire Regulatory Agreement period.

2. Development and Ownership Experience

   Applications will be scored based on the number of subsidized rental housing projects (including tax credit projects) that the Sponsor/Applicant has completed and operated and whether the Sponsor/Applicant is subject to penalties pursuant to paragraph (4) below.

   For completed projects, a Sponsor/Applicant may include the experience of its controlled affiliated entities or its principals (e.g., employed by, and under the control of the Sponsor/Applicant and responsible for managing development activities), but not the experience of non-management board members. A Sponsor/Applicant may include the experience of a partner (e.g., Joint Venture partners pursuant to the Defined Terms of the IIG-2019 Guidelines) to gain experience points; however, the experienced partner must have a controlling interest in the project's ownership and a substantial and continued role in the project's ongoing operations, as evidenced in the organizational documents for the owner. Experience among partners shall not be aggregated. Any change in the ownership shall require prior written approval by the Department.

If a Sponsor/Applicant relies upon the experience of its Principal for scoring, documentation of the principal's experience is required as set forth in the NOFA and application.

The experience of an Emerging Developer's principal shall not be used to qualify an Emerging Developer Sponsor/Applicant for maximum development and ownership experience points. An Emerging Developer cannot have developed, owned, or operated more than three (3) Affordable Housing Developments. If the experience of an Emerging Developer's principal is used for scoring and exceeds three (3) Affordable Housing Developments, the Sponsor/Applicant does not meet the qualifications of an Emerging Developer.

To receive points under this paragraph the following conditions must be met:

a. Submit a certification that the projects for which points are requested have maintained Fiscal Integrity for the year in which each Rental Housing Development's last financial statement has been prepared, a positive operating cash flow from typical residential income alone and have funded reserves in accordance with the partnership agreement and any applicable loan documents.

   To obtain points for projects previously owned, a certification must be submitted with respect to the last full year of ownership by the Sponsor/Applicant, along with verification of the number of years that the project was owned by that Sponsor/Applicant. To obtain points for projects previously owned, the ending date of ownership or participation must be no more than ten (10) years from the application deadline.

   Points are available as follows:

3-4 projects in service more than 3 years, of which 1 shall be in service more than 5 years and 2 shall be Department-regulated or projects utilizing low-income housing tax credits allocated by TCAC	10 points
5 or more projects in service more than 3 years, of which 1 shall be in service more than 5 years and 2 shall be Department-regulated or projects utilizing low-income housing tax credits allocated by TCAC	15 points
For Special Needs projects or Community-Based Developers only with experience serving target population(s) proposed to be served in the application, points are available as described above or as follows:	
For Special Needs projects: • 4 or more Special Needs projects in service more than 3 years, of which 1 shall be Department-regulated or a project utilizing low-income housing tax credits allocated by TCAC. For Community-Based Developers: • 4 or more projects in service more than 3 years, of which 1 shall be Department-regulated or a project utilizing low-income housing tax credits allocated by TCAC. The property manager shall have three or more years' experience serving the target population(s) proposed to be served in the application.	15 points

Applicants with fewer than four active Rental Housing Developments in service more than three years shall contract with a bona-fide management company which itself earns a minimum total of five Property Management Experience points at the time of application.

b. To obtain development and ownership experience points, Tribal Entities, Community-Based Developers or Emerging Developers may contract with a Developer who will not be the project owner and may receive points commensurate with the Developer's experience pursuant to (a) above.

   For purposes of this subparagraph only, a Developer is defined to include an entity pre-approved by the Department that has developed but not owned the requisite number of projects described in (a) above and that provides the certification described in (a) above for the projects for which experience points are requested. If the projects for which the entity requests experience points do not include two Department-regulated projects in service more than three years, the Tribal Entity shall also contract with a bona-fide management company which itself earns a minimum total of five Property Management

Experience points at the time of application. For this purpose, only, “develop” shall mean developing the project scope and timeline, securing financing, hiring, or performing the services of a general contractor, and overseeing completion of construction and placement in service as well as asset managing the project for at least three years after construction completion. When seeking the Department’s pre-approval, the entity shall provide fully executed copies of contracts demonstrating the Department’s criteria for “develop” as specified above have been met.

The contract shall be in effect at least until the project’s stabilized occupancy (90 percent occupancy for single room occupancy (SRO) and Special Needs projects and 95 percent for all other projects), completion of all permanent loan closings, and achievement of all stabilization milestones of the project’s ownership agreement. Tribal Entities exercising the option under this subparagraph (b) to contract with a Developer for these experience points shall also contract for asset management for at least the term of the 15-year federal compliance period with an entity that has provided three (3) years of asset management for at least two Department-regulated projects.

3. Property Management Company Experience. To receive points under this paragraph, the property management company must meet the following conditions:

   a. To obtain points for projects previously managed, the ending date of the property management role must be no more than ten (10) years from the application deadline. In addition, the property management experience with a project shall not pre-date the project’s construction completion date.

      Points are available as follows:

6-10 projects managed over 3 years, of which 2 shall be Department-regulated or projects utilizing low-income housing tax credits allocated by TCAC.	3 points
11 or more projects managed over 3 years, of which 2 shall be Department-regulated or projects utilizing low-income housing tax credits allocated by TCAC.	5 points
For Special Needs projects and for Community-Based Developers, points are available as described above or as follows:	
For Special Needs projects: • 4 or more Special Needs projects in service more than 3 years, of which 1 shall be Department-regulated or a project utilizing low-income housing tax credits allocated by TCAC. For Community-Based Developers: • 4 or more projects in service more than 3 years, of which 1 shall be Department-regulated or a project utilizing low-income housing tax credits allocated by TCAC.	5 points

When contracting with an experienced property management company under the terms of paragraphs (2) or (3) above, the Sponsor/Applicant or property co-management entity must obtain training in: project operations, on-site certification training in federal fair housing law, and manager certification in Internal Revenue Code (IRC) Section 42 Low-Income Housing Credit Program requirements from a TCAC-approved, nationally recognized entity. Additionally, the experienced property management agent, or an equally experienced substitute, must remain for a period of at least three years from the construction completion date (or, for ownership transfers, three years from the sale or transfer date) to allow for at least one HCD monitoring visit to ensure the project is in compliance with HCD requirements for inspection and monitoring contained in the Regulatory Agreement. Thereafter, the experienced property manager may transfer responsibilities to the remaining general partner or property management firm following formal written approval from HCD.

4. Negative Points – An application will be assessed negative points based on the following:

   a. Performance penalties assessed pursuant to the Department's Negative Points Policy as may be amended from time to time.

   Negative points will be assessed as a reduction to the score earned under paragraphs (2) and (3) above and will serve as the final score for

this criterion. For example, if a project earns 15 points under paragraph (2) Development and ownership experience and 5 points under paragraph (3) Project Management Company Experience but is assessed 3 negative points, the final score for this criterion would be 17 (15 + 5 - 3).

If the Sponsor/Applicant is subject to negative points assessment, HCD shall notify the Sponsor/Applicant in writing within the point score letter and will provide opportunity to appeal negative points assessment pursuant to the appeals process as set forth in the NOFA.

5. Ownership Units.

To obtain experience points, the eligible Applicant must demonstrate the following:

a. Provide evidence that it has completed at least:

2 homeownership development projects that are similar to the proposed Qualifying Infill Project(s) in scope and size during the ten (10) years preceding the application due date	5 points
3 homeownership development projects that are similar to the proposed Qualifying Infill Project(s) in scope and size during the ten (10) years preceding the application due date	8 points
5 homeownership development projects that are similar to the proposed Qualifying Infill Project(s) in scope and size during the ten (10) years preceding the application due date	10 points

b. Demonstrate that it has the capacity (i.e., the present ability, competency, workforce, and resources) to complete the proposed Qualifying Infill Project(s) in accordance with the Program requirements (10 points).

E. Project Readiness (20 points maximum, negative 5 points maximum)

Points will be awarded to projects under each of the following rating factors as documented in the application and as indicated below. If a particular rating factor is not applicable, full points shall be awarded in that category.

1. Financing Commitments (10 points maximum)

    a. Five (5) points will be awarded for evidencing Enforceable Funding Commitments for all construction financing, not including funds applied for under this NOFA, an allocation of tax exempt-bonds, and 4 percent or 9 percent tax credits. Commitment of bond financing is required and must be evidenced by a lender commitment.

    b. Five (5) points will be awarded for evidence of Enforceable Funding Commitments for all permanent financing, grants, project-based rental assistance, and operating subsidies, excluding funds applied for under this NOFA, an allocation of tax-exempt bonds, and 4 percent or 9 percent tax credits. Commitment of bond financing shall be evidenced by a lender commitment.

    For both construction financing commitments and permanent financing commitments, the assistance will be deemed to be an Enforceable Funding Commitment as this term is defined in the Defined Terms of the IIG-2019 Guidelines (homeownership projects may include but are not limited to the types of Enforceable Funding Commitments included in the definition, subject to Department approval), if it has been awarded to the project or if the Department approves other evidence that the assistance will be reliably available. Contingencies in commitment documents based upon the receipt of an allocation of tax-exempt bonds, 4 percent tax credits or 9 percent tax credits will not disqualify a source from being counted as committed.

    To receive points under paragraphs (a) and (b) above for deferred payment financing, grant funds, or subsidies from other Department programs, these funds must be awarded prior to finalizing the preliminary point scoring of applications under this NOFA.

2. Local and Environmental Approvals (7 points maximum)

    a. Land use approvals (5 points maximum) – Points will be awarded under either item i, ii, or iii below.

        i. Five (5) points will be awarded for obtaining all land use approvals or entitlements necessary prior to issuance of a building permit, including any required discretionary approvals. Notwithstanding this requirement, design review, variances, and development agreements are not required to be completed. Project sites where the planning department confirms eligibility for Streamlined Ministerial Approval (including but not limited to the Senate Bill 35 (2017) Streamlined Ministerial Approval Processing) are eligible for these points.

For projects located within city limits where a FEMA Major Disaster Declaration has been made up to three years preceding the application due date, these five (5) points will be awarded for certification that all necessary land use approvals or entitlements necessary prior to issuance of a building permit will be completed within 90 days of Award.

For projects located outside of city limits where a FEMA Major Disaster Declaration has been made and the local government responsible for land use approvals or entitlement review is not a city, the Applicant must, in addition to providing this certification, demonstrate to the Department's satisfaction that the project contributes to providing housing for disaster-impacted households.

ii. Four (4) points will be awarded for submission of a complete application to the relevant local authorities for land use approval under a Nondiscretionary Local Approval Process, where the application has been neither approved nor disapproved.

iii. One (1) point will be awarded for a letter signed by a planner certified by the American Institute of Certified Planners indicating that, in their opinion, the project meets all of the requirements for approval under a Nondiscretionary Local Approval Process, where an application has not been approved or disapproved by the local authorities.

b. Environmental Approvals (2 points maximum) – Points will be awarded for local certification of CEQA (California Environmental Quality Act) exemption or completion.

For projects located within city limits where a FEMA Major Disaster Declaration has been made up to three years preceding the application due date, these two points will be awarded for certification that the project is exempt from CEQA or that the CEQA review will be completed prior to the issuance of the Department's Standard Agreement for funds under this NOFA. For projects located outside of city limits where a FEMA Major Disaster Declaration has been made and the local government responsible for environmental review is not a city, the Applicant must, in addition to providing this certification, demonstrate to the Department's satisfaction that the project contributes to providing housing for disaster-impacted households.

For projects receiving federal funds subject to review under the National Environmental Policy Act (NEPA), a copy of the project's Authority to Use Grant funds must be provided prior to the construction loan closing. It is not necessary to have the Authority to Use Grant Funds at application stage.

3. Organizational Documents (3 points maximum) – Points will be awarded if the Recipient, including all affiliated entities, is fully formed and all required organizational documents are submitted with the application.

4. TCAC Hybrid projects – A total of five (5) points will be subtracted for a project utilizing low-income housing tax credits that will be part of an application to TCAC seeking hybrid tie-breaker incentives.

F. Adaptive Reuse / Infill / Proximity to Amenities / Sustainable Building Methods (21 points maximum)

Applications will receive five (5) points for each of paragraphs (1), (3), (4) and six (6) points for paragraph (2) of the following four conditions, up to a maximum of 21 points as defined below:

- Infill development and Net Density
- Proximity to amenities
- Broadband access
- Sustainable building methods

1. Infill development and Net Density. Five (5) points will be awarded for infill development, including adaptive reuse of a vacant and underutilized non-residential building located in a developed area served with public infrastructure. The project must meet one of the following requirements of (a) or (b) below:

   a. Located on a site where either:

      i. At least 75 percent of the site was previously improved (including areas where improvements have been demolished) or used for any use other than Open Space, agriculture, forestry, or mining waste storage; or

      ii. At least 75 percent of the perimeter of the site's adjoining parcels that are developed with Urban Uses (residential, commercial, industrial, public institutional, transit or transportation passenger facility use, or retail use, or any combination of those uses) but not including lands used for agricultural uses or parcels in excess of 15,000 square feet in size and containing only one single family residence, or is separated from parcels that are developed with Urban Uses only by an improved public right-of-way. In calculating this percentage, perimeters bordering navigable bodies of water and improved Parks shall not be included; or

      iii. The combination of at least 50 percent of site area as previously improved (including areas where improvements have been demolished) or used for any use other than Open Space, agriculture, forestry, or mining waste storage, and at least 50 percent of the perimeter of the site adjoining parcels that are developed with Urban Uses or is separated from parcels that are developed with Urban Uses only by an

improved public right-of-way. In calculating this percentage, perimeters bordering navigable bodies of water and improved Parks shall not be included.

b. Developed at average residential Net Densities on the parcels to be developed that are greater than the densities described below:

i. For an incorporated city within a nonmetropolitan county and for a nonmetropolitan county that has a micropolitan area: sites allowing at least 20 units per acre.

ii. For an unincorporated area in a nonmetropolitan county not included in clause (i): sites allowing at least 15 units per acre.

iii. For a suburban jurisdiction: sites allowing at least 25 units per acre.

iv. For a jurisdiction in a metropolitan county: sites allowing at least 45 units per acre.

v. For a Rural Area: sites allowing at least 15 units per acre.

2. Proximity to Amenities. Maximum of six (6) points, may combine options under (a) and (b)

a. Projects will receive one-third point per site amenity point that would be awarded under TCAC Regulations, Title 4 CCR, Division 17, Chapter 1, Section 10325(c)(4)(A) or successor regulation. (In TCAC regulations, this is a 15-point category, however, achieving all 15 points under TCAC translates to 5 points under this category.)

Transit points must be for a Transit Stop or Major Transit Stop and distance must be measured by a Walkable Route. “Walkable Route” means a route which, after completion of the proposed project, shall be free of negative environmental conditions that deter pedestrian circulation, such as barriers; stretches without sidewalks or walking paths; noisy vehicular tunnels; streets, arterials or highways without regulated crossings that facilitate pedestrian movement; or stretches without adequate lighting.

b. Projects within one-quarter mile of a Transit Station or Major Transit Stop shall receive one point.

These transit points shall be measured by a Walkable Route from the nearest boundary of the project to the outer boundary of the site of the Transit Station or Major Transit Stop.

3. Broadband access. Five (5) points will be awarded for projects meeting the following requirements:

a. Residential dwelling units that can accommodate broadband service with at least a speed of 100 megabits (50 megabits for rural) per second for downloading and 20 megabits per second (10 megabits for rural) for uploading. Internet service and its ongoing fee is not required; and

b. The application includes a plan for reducing barriers to access for project residents. The plan should be tailored to the needs of the tenant population and may include programs providing free or reduced internet prices; reasonable access to project facilities, computers, and shared Wi-Fi; and computer and Wi-Fi literacy training and technical assistance.

4. Sustainable building methods. Points will be awarded based on the following (up to a maximum of five (5) points):

a. 2.5 points will be awarded if the project supports the implementation of a sustainable communities strategy or alternative planning strategy that has been determined by the California Air Resources Board to achieve the region's greenhouse gas emissions target or other adopted regional growth plan intended to foster land use. Consistency with such plans must be demonstrated by a letter or resolution executed by an officer or an equivalent representative from the metropolitan planning organization, regional transportation agency, planning, or local transportation commission.

b. If a sustainable communities strategy is not required for a region by law, 2.5 points will be awarded if the project supports a regional plan that includes policies and programs to reduce greenhouse gas emissions. Evidence of consistency with such plans must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from, the metropolitan planning organization or regional transportation planning agency or local transportation commission.

c. A project in which not less than 50 percent of the land area is within a Transit Priority Area shall receive 2.5 points. Evidence of project location within, or partially within, a Transit Priority Area must be demonstrated by a letter or resolution executed by an officer of, or an equivalent representative from, the metropolitan planning organization, regional transportation planning agency, or local transportation commission.

“Transit Priority Area” means an area within one-half mile of a Major Transit Stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Transportation Improvement Program adopted pursuant to Title 23 of the Code of Federal Regulations Section 450.216 or 450.322.

d. Five (5) points will be awarded for a project that is designed to achieve green building status beyond state mandatory building code requirements as

verified upon construction completion by a certified LEED Green rater, certified Green Point rater, or licensed engineer. Applicants may select from the following green building certification programs:

Program	**Minimum Required Tier or Designation**
CalGreen	Tier 2
U.S. Green Building Council LEED Certification	Gold
GreenPoint Rated	New Construction: Gold Rehabilitation: Whole Building
ENERGY STAR	Certified Home
Living Future Challenge	Living Building

e. Three (3) points for projects that achieve near electrification – projects where two out of three of the major energy appliances (cook stoves, space heating, water heating) are electric. Projects must be wired to be electric-ready, defined as having 240 volts outlets near each gas appliance.

f. Five (5) points will be awarded for projects that are powered entirely through electricity with no connections to natural gas infrastructure.

G. Cost Containment (5 points maximum)

1. Rental Units

A project shall receive one (1) point for each full percent that the project's eligible basis is less than the project's adjusted threshold basis limit, up to a maximum of (5) points. The percentage is calculated by dividing the project's eligible basis by the project's adjusted threshold basis limit.

$$\frac{\text{Total Eligible Basis per the Development Budget}}{\text{Adjusted Threshold Basis Limit}}$$

(Per CDLAC Regulation Section 5230)

For purposes of this subdivision, a project's adjusted threshold basis limit shall be the project's threshold basis limit, as if it were a 4 percent LIHTC project, as determined pursuant to Section 10327(c)(5) of the TCAC regulations, except that the increase for deeper targeting pursuant to Section 10327(c)(5)(C) of the TCAC regulations shall be limited to 80 percent. Section 10327(c)(5) of the TCAC regulations states that for projects financed through CDLAC, "an increase of 1 percent in the threshold basis limits shall be available for every one percent of the project's Low Income and Market Rate Units that will be income and rent restricted at or below 50 percent but above 35 percent of AMI. An increase of 2 percent shall be available for every 1 percent of the project's Low Income and Market Rate Units that will be restricted at or below 35 percent of AMI. In

addition, the Applicant must agree to maintain the affordability period of the project for 55 years (50 years for projects located on tribal Trust Land)." The Department, however, will only restrict to income levels in 5 percent increments.

Any project may be subject to performance penalties if the project's total eligible basis determined upon construction completion exceeds the revised total adjusted threshold basis limits for the year the project completes construction (or the original total eligible threshold basis limit if higher) by 40 percent.

2. Ownership Units.

The Project shall receive one (1) point for each two full percent that the requested grant amount is less than the maximum grant amount, up to a maximum of (5) points. The percentage is calculated by dividing the Project's requested grant amount by the total allowable maximum grant amount in accordance with the maximum calculated grant amount per Section 205 ("Grant Terms and Limit") of the IIG-2019 Guidelines. All such ratios will be rounded to the nearest second decimal place.

H. Prohousing Policies (5 points maximum)

Points will be awarded based on the extent to which the Project meets the following:

1. Five (5) points will be awarded to Projects located in jurisdictions that have been designated prohousing at time of application based upon their adoption of prohousing local policies, pursuant to the Department's Prohousing Designation Program.

2. For Projects located in jurisdictions that are not designated prohousing pursuant to the Department's Prohousing Designation Program, but have applied for the designation, two (2) points will be awarded if the jurisdiction has at least three of the following in place:

   a. Projects located in jurisdictions with policies that involve meaningful actions towards Affirmatively Furthering Fair Housing pursuant to GC Section 8899.50, including, but not limited to, rezoning higher density in higher opportunity areas, prioritizing funding in higher opportunity areas or areas of concentrated poverty or lower opportunity, place based (e.g., acquisition/rehabilitation, infrastructure improvements, enhancement of community amenities and resources) or displacement strategies in areas of concentrated poverty, lower opportunity or high displacement risk.

   b. Projects located in jurisdictions permitting missing middle housing uses (e.g., triplexes and fourplexes) by right in existing low-density, single-family residential zones or increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit

Law (e.g., permitting more than one ADU or JADU per single-family lot) and Government Codes sections 65852.21 and 66411.7.

c. Projects located in jurisdictions with density bonus programs which exceed statutory requirements by 10 percent or more.

d. Projects located in jurisdictions that are reducing or eliminating parking requirements for residential development as authorized by GC Sections 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of GC Section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to GC Section 65915, subdivision (p).

e. Establishment of ministerial approval processes for a variety of housing types, including single-family and multifamily housing.

f. Establishment of an Enhanced Infrastructure Financing District or similar local financing tool that, to the extent feasible, directly supports housing developments in an area where at least 20 percent of the residences will be affordable to Lower Income households.

g. Projects located in jurisdictions that zone more sites for residential development or zoning sites at higher densities than is required to accommodate 150 percent of the minimum regional housing need allocation for the Lower-Income allocation in the current housing element cycle.

h. Projects located in jurisdictions with measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes; creation of on-street parking for bikes; transit-related improvements; or establishment of carshare programs.

i. Projects located in jurisdictions that have established pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas.

j. Establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents and Projects located in jurisdictions that have documented practice of streamlining housing development at the Project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law (Pub. Resources Code, Sections 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, Section 65457; Cal Code Regs., tit. 14, Sections 15303, 15332; Pub. Resources Code, Sections 21094.5, 21099, 21155.2, 21159.28).

k. Waiver or significant reduction of development impact fees for residential development.

l. Establishment of local housing trust funds or collaboration on a regional housing trust fund.

m. A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to Lower Income households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.

I. Tie-breaker Score

In the event two or more applications have the same score, the following tie-breaker points will be awarded, in the following order of priority, until there is no longer a tie:

1. Five tie-breaker points will be awarded to the Qualifying Infill Area having the lowest ratio between the requested grant amount to the total allowable maximum grant amount in accordance with the maximum calculated grant amount through the respective IIG-2019 Guidelines. All such ratios will be rounded to the nearest second decimal place.

2. An additional two tie-breaker points will be awarded to the Qualifying Infill Area for each previously awarded Qualifying Infill Project developed by the eligible Applicant that has received a certificate of occupancy by the deadline for submittal of applications set forth in this NOFA.

V. Appeals

A. Basis of Appeals

1. Upon receipt of HCD's written notice that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an Award, Applicants under this NOFA may appeal such decision(s) to the Director of the Department or their designee pursuant to this section.

2. No Applicant shall have the right to appeal a decision of HCD relating to another Applicant's application (e.g., eligibility, Award).

3. Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the IIG-2019 Guidelines and this NOFA. All decisions rendered shall be made by the Director or his/her designee. The decision shall be final, binding, and conclusive, and shall constitute the final action of HCD.

4. The appeal process provided herein applies solely to decisions of HCD made pursuant to this NOFA.

B. Appeal Process and Deadlines

1. Process: To file an appeal, Applicants must submit to the Director of the Department or their designee, by the deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to HCD, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to HCD at infill@hcd.ca.gov according to the deadline set forth in HCD review letters.

2. Filing Deadline**:** Appeals must be received by HCD no later than five (5) business days from the date of HCD's threshold review, or initial score letters, as applicable, representing HCD's decision made in response to the application.

C. Decision

Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the Guidelines and this NOFA. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of HCD.

VI. Award Announcements and Contracts

A. Award Announcements

Regarding the applications from Small Jurisdictions, it is the Department's intent to announce Awards on an ongoing basis. Award recommendations will be posted on the IIG website at https://www.hcd.ca.gov/infill-infrastructure-grant.

Regarding the applications from Large Jurisdictions, HCD will announce Program Awards on the IIG website.

B. Contracts

Successful Applicants (Recipients) will enter into a Standard Agreement with HCD. The Standard Agreement contains all the relevant state and federal requirements, as well as specific information about the Award and the work to be performed.

A condition of Award will be that a Standard Agreement must be executed by the awardee(s) within 90 days (Contracting Period) of HCD's issuance of the Award letter. Failure to execute the Standard Agreement(s) within the Contracting Period

may result in Award cancellation. The awardee(s) shall remain a party to the Standard Agreement for the entire term of the Standard Agreement; removal of the awardee(s) without prior HCD consent is prohibited and will result in a default.

Once a Project is awarded HCD funds, the Recipient is acknowledging the Project as submitted and approved is the Project that is to be funded and built. Any partitioning of the Project will make that Award null and void, as the awarded Project is no longer feasible as originally submitted and awarded funds are unable to be assumed or assigned.

VII. Other State Requirements

The Recipient agrees to comply with all applicable state and federal laws, rules, guidelines, and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Rental Housing Development, the Recipient, its contractors or subcontractors, and any loan or grant activity, including without limitation those listed in IIG-2019 Guidelines Section 300 ("State and Federal Laws, Rules, Guidelines, and Regulations").

Where the proposed Project type presents a fair housing issue, the Department reserves discretion to require a fair housing legal opinion.

In addition, the Recipient shall comply with the following requirements:

A. Compliance with California's Housing Element Law

The Qualifying Infill Project or Qualifying Infill Area must be located in a city, county, or city and county in which the general plan of the city, county, or city and county has an adopted housing element that has been found by the Department, at the time of Award, to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. If the Award decisions are made within 120 days of the housing element due date, the Department may refer to the jurisdiction's compliance from the prior cycle.

For the purpose of this section alone, jurisdictions that are undergoing Department review of their housing element at the time of Award, and jurisdictions that are receiving Department technical assistance to bring their housing element into compliance at the time of Award, shall both be deemed to be in a presumptive state of substantial compliance by the Department. All Awards premised on presumptive substantial compliance shall include conditions in their respective Standard Agreements requiring that prior to funds disbursement, the subject jurisdiction must have received a final housing element certification letter from the Department.

B. Article XXXIV

IIG program funds are not subject to Article XXXIV, Section 1 of the California Constitution, as clarified by the Public Housing Election Implementation Law (HSC

Sections 37000 - 37002). The IIG program funds do not directly fund the housing units, but rather fund the infrastructure that supports the housing units. Other HCD funding sources may require Article XXXIV compliance.

C. California's Preservation Notice Law

All Applicants, Sponsors, co-Sponsors, owners, and special purpose entities must, at all times, comply with, and not be in violation of, California's Preservation Notice Law (Gov. Code, §§ 65863.10, 65863.11, 65863.13).

D. Relocation

The Recipient of a Project resulting in displacement of persons, businesses, or farm operations shall be solely responsible for providing the assistance and benefits set forth in the IIG-2019 Guidelines Section 301 ("Relocation Requirements"), and in applicable state and federal law, and shall agree to indemnify and hold harmless HCD from any liabilities or claims for relocation-related costs.

Rehabilitation projects shall maintain any population restrictions pursuant to an existing Regulatory Agreement, deed restriction, or similar encumbrance. Any existing income, rent, and population restrictions must be documented in the application. No permanent relocation shall be permitted unless reviewed and approved by the Department.

VIII. Other Terms and Conditions

A. Right to Modify or Suspend

HCD reserves the right, at is sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including without limitation, the amount of funds available hereunder. If such an action occurs, HCD will notify all interested parties via the HCD email list and will post the revisions to the IIG website. Please be sure and subscribe to HCD's email list at https://www.hcd.ca.gov/i-am/sub_email.shtml.

B. Conflicts

It is the duty and responsibility of the Applicant and Sponsor to review any funding source they obtain for a project to ensure each of the requirements for those funding sources are compatible with HCD program requirements.

In the event of any conflict between the terms of this NOFA and IIG-2019 Guidelines and either applicable state or federal law or applicable regulation, the terms of the applicable state or federal law or applicable regulation shall control. Applicants are deemed to have fully read and understand all applicable state and federal laws, regulations, and guidelines pertaining to the relevant program, and understand and agree that HCD shall not be responsible for any errors or omissions in the preparation of this NOFA.

Office of the City Council
Mayor Devin Middlebrook

October 4, 2022

Gustavo Velasquez
Director
California Department of Housing & Community Development
2020 West El Camino Ave
Sacramento, CA 95833

Re: *Sugar Pine Village*, Infill Incentive Grant (IIG) Support Letter

Dear Mr. Velasquez,

On August 25, 2022, *Related Companies of California (Related)* submitted a funding application to the State's Infill Infrastructure Grant Program of 2022 Notice of Funding Availability for Small Jurisdiction Set Aside and Qualifying Infill (IIG) program for *Sugar Pine Village,* a *248* -unit new construction affordable housing development located at *1888 Lake Tahoe Boulevard and 1029 Tata Lane in the City of South Lake Tahoe*.

Our community is in urgent need of more affordable housing as identified in the South Shore Regional Housing Needs Assessment and documented in our certified Housing Element 2022-2026. This project also embodies the components of the TRPA Regional Plan and Sustainable Communities Strategy in addition to the Tahoe Valley Area Plan.

IIG Guideline Section 201 (a)(2) requires that a letter of support be submitted for the Qualifying Infill Project from the local governing body. This letter is to document our wholehearted support for this project.

If you have any questions, please do not hesitate to contact me.

Sincerely,

_____
Devin Middlebrook
Mayor

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 13

Agenda Item: Application to Caltrans for Sustainable Transportation Planning Grant of $450,000 for Stateline Area Complete Streets Project

Executive Summary: The City is pursing a complete streets plan for the entire Stateline area to provide improved safety for multi-modal access from U.S. Highway 50 and the Heavenly Village tourist core to Lakeshore Boulevard as envisioned in the Mainstreet Management Plan and Tourist Core Area Plan. The Sustainable Transportation Planning Grant Program is focused on supporting efforts to create safe and reliable multi-modal transportation systems that serve all people and provides environmental benefits. Park Avenue, Pine Boulevard, Stateline Avenue, and Lakeshore Boulevard are all in need of improved streetscape improvements for pedestrian, bicyclist and micro-mobility user safety in addition to drainage improvements within the entire Stateline Area.

Requested Action / Suggested Motions: Pass a Resolution authorizing the Director of Public Works (or designee) to submit a grant application to the California Department of Transportation (Caltrans) for a planning grant in the amount of $450,000 for stakeholder outreach and planning for a complete streets project in the Stateline area.
Responsible Staff Members: Jason Burke, Complete Streets Program Manager and Sara Letton, Sustainability Coordinator

Responsible Staff Member: Jason Burke, Complete Streets Program Manager (530) 542-6038
Sara Letton, Sustainability Coordinator (530) 542-6175

Reviewed and Approved By:
Anush Nejad, Director of Public Works
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report-Stateline Area Complete Streets
02-Stateline Area Complete Streets Project Map.pdf
03-Resolution - Stateline Complete Streets Grant Application.docx
04-Stateline Area Complete Streets Project.pptx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Stateline Area Complete Streets Project Authorization to Submit a Grant Application for the Sustainable Transportation Planning Grant Program

Location: Stateline Area: Generally, the area from U.S. Highway 50 north to Lakeshore Boulevard, bounded by Park Avenue to the west and Stateline Avenue to the east, see Attachment 02 - Project Location Map.

Responsible Staff Member: Jason Burke, Complete Streets Program Manager (530) 542-6038
Sara Letton, Sustainability Coordinator (530) 542-6175

Background: The Caltrans Sustainable Transportation Planning Grant Program will release a call for applications in December 2022, with a grant application deadline around January 2023. The Sustainable Transportation Planning Grant Program was created to provide a safe and reliable transportation network that serves all people and respects the environment. California Senate Bill 1 is a transportation funding bill that provides funding to maintain and integrate the State's multi-modal transportation system.

SB 1 grant funding is intended to support the implementation of the Regional Transportation Plan (RTP), Sustainable Communities Strategy (SCS) and ultimately achieve the State's greenhouse gas (GHG) reduction targets. The purpose of the Sustainable Transportation Planning Grant Program is to support eligible planning projects that directly benefit the multi-modal transportation system and also improve public health, social equity, environmental justice, the environment, and provide other important community benefits. The grant is focused on funding Complete Street plans that include community and stakeholder outreach to improve the connectivity of the multimodal transportation network. At this time, the grant is not available to be used for environmental review required under the National Environmental Policy Act (NEPA) or the California Environmental Quality Act (CEQA), nor is it intended for the development of detailed engineering plans past the 30% conceptual design stage.

Issue and Discussion: The 2009 Drainage Master Plan identified the longstanding flooding issues at Lakeshore Avenue and Park Avenue as needing a regional drainage facility that could include pedestrian and bike paths. This project was originally intended to be funded through the installation of parking meters at Lakeshore Avenue, but this financial approach to developing and implementing drainage solutions in the area has proved to be challenging. The drainage issues and lack of streetscape improvements in the area continue to be a barrier to providing a safe and connected network for active mobility in this heavily used area within the tourist commercial core. The erodible road shoulders have the potential to impair the clarity of Lake Tahoe and should be addressed under the Lake Tahoe Total Maximum Daily Load (TMDL) requirements. There is a notable and widespread lack of pedestrian and cyclist improvements that potentially create conflicts between various mobility types within this area. Parking is often unstructured, and many areas are bare dirt, creating erosion and sediment issues along with safety and mobility challenges within the area. Underground drainage systems need to be updated, along with water

supply and fire flow infrastructure services provided by Lakeside Park Mutual Water Company and Southwest Gas for pressurized gas lines. Many hotels in the area rely on head-in street parking within the public right-of-way, which is often grandfathered in and is required to meet City minimum parking standards. These parking patterns pose a significant design and acquisition challenge to developing multimodal connectivity solutions for pedestrians, cyclists, and micro-mobility (electric scooter) users, along with the horse-drawn carriages and relatively new shuttles operating in the area. A conceptual design process will require considerable stakeholder outreach to develop solutions that can accommodate the needs of existing tourism and hotel businesses, residents, and all types of mobility mode users.

The Mainstreet Management Plan, 2022 Strategic Advance Workshop, Active Transportation Plan, and recently adopted CIP budget provide support for developing multimodal connectivity solutions in this area, in conjunction with underground utility and drainage upgrades to ensure streetscape improvements have long-term function and durability.



Unimproved road shoulder on Park Avenue, generating sediment in runoff



Lack of drainage contributing to pavement degradation at Lakeshore Blvd./Park Ave.



Pedestrians walking around parked cars and in roadway along Park Avenue



Pedestrians walking in roadway during winter on Stateline Avenue

Financial Implications: During the adoption of the Capital Improvement Plan (CIP) budget on August 23, 2022, the City Council allocated $100,000 for the planning and design of a Complete Streets project for the Stateline Avenue Area. This Sustainable Transportation Planning Grant Program is an opportunity to leverage existing allocated City resources to access additional grant funds to develop conceptual plans, hold community and stakeholder meetings, survey parcel lines and right-of-way encroachments, develop drainage plans, plan for water supply and fire flow replacements in coordination with Lakeside Park Water District and other utility providers and define planned multimodal connectivity improvements for the area that include provisions for drainage, sediment reduction and streetscape improvements within the entire Stateline Area (Including Stateline Avenue, Park Avenue, Pine Boulevard, Friday Avenue, and Lakeshore Boulevard).

Environmental Considerations: The authorization to pursue a grant application for planning and design of a Complete Streets plan is Statutorily Exempt from CEQA under section 15262 (Feasibility and Planning Studies) and Categorically Exempt under section 15305, Class 6 (Information Collection).

Policy Implications: Initiating a grant to fund the necessary community outreach, technical analysis and development of a Complete Streets conceptual plan to connect the Heavenly Village Tourist core to the Lakeside/Stateline area north of U.S. Highway 50 will provide a path to implement improvements for all types of multi-modal transportation in a manner that is safe and accessible to all. Including drainage and water quality needs in the plans will assist with meeting the sediment and nutrient reductions mandated by the Lake Tahoe Total Maximum Daily Load (TMDL) program. Fulfilling mandated TMDL reduction goals will assist with maximizing residential housing allocations under TRPA Code section 50.5.2.E.2 (Distribution and Administration of Residential Allocations – TMDL Implementation). The Project advances the City Council Strategic Priorities and Goals, specifically:

- **Action Item 1.4 (Transportation)** to prioritize implementation of mixed-use recreational trails and Class 1 bike trails and closing gaps in the bicycle trail system.
- **Action Item 2.3 (Connectivity)** to facilitate implementation of trail infrastructure prioritizing the connection of bicycle and walking trails.
- **Action Item 5.3 (Infrastructure and Maintenance)** by actively seeking funding to develop sustainable infrastructure projects, based on the prioritized capital improvement project list.

The project will also provide greenhouse gas reduction benefits, providing progress on Action #WB-1 of the 2020 Climate Action Plan: Improve bicycle and pedestrian networks.



CITY OF SOUTH LAKE TAHOE

Stateline Area Complete Streets Project Area

N

0 200 400 600 800

Feet

Path: \\gis\share\Projects\PublicWorks\CompleteStreets\CompleteStreets.aprx | Stateline Area Complete Streets Project Area | 9/19/202

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Authorization for Submittal of a Grant Application to the Sustainable Transportation Planning Grant Program from the California Department of Transportation for $450,000 in Grant Funds for Public Outreach and Planning of the Stateline Area Complete Streets Project.

BACKGROUND

A. The City of South Lake Tahoe is eligible to receive federal and/or State funding for certain transportation planning related plans, through the California Department of Transportation.

B. A Restricted Grant Agreement would be needed to be executed with the California Department of Transportation before such funds can be reimbursed through the Transportation Planning Grant Program.

C. The City of South Lake Tahoe wishes to delegate authorization to execute these agreements and any amendments thereto.

D. The City Council appropriated $100,000 for the initiation of the Stateline Area Complete Streets project ("Project") during the August 23, 2022 City Council meeting as a part of the City's adopted Capital Improvement Program, which is eligible as a grant match.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Authorizes the Public Works Director, or designee, to submit a grant application and, if successful, execute all Restricted Grant Agreements and any amendments thereto with the California Department of Transportation.
2. If the grant is awarded, authorizes acceptance of grant funds up to $450,000 and budget appropriation into the Project revenue account 301-50045-33220 and expenditure account 301-50045-42030.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.



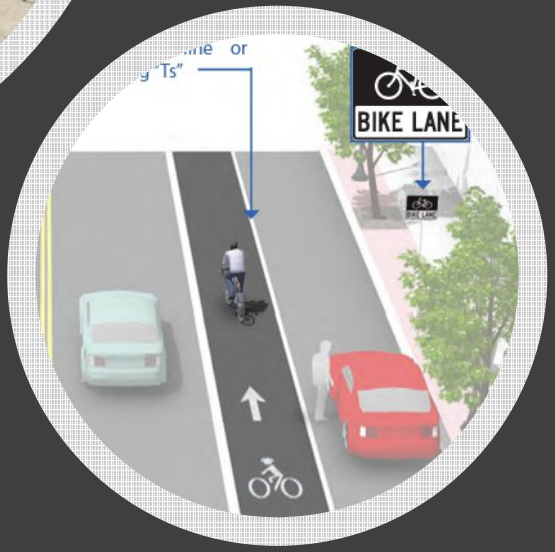
Stateline Area Complete Streets Project
(Sustainable Transportation Grant Program Application)

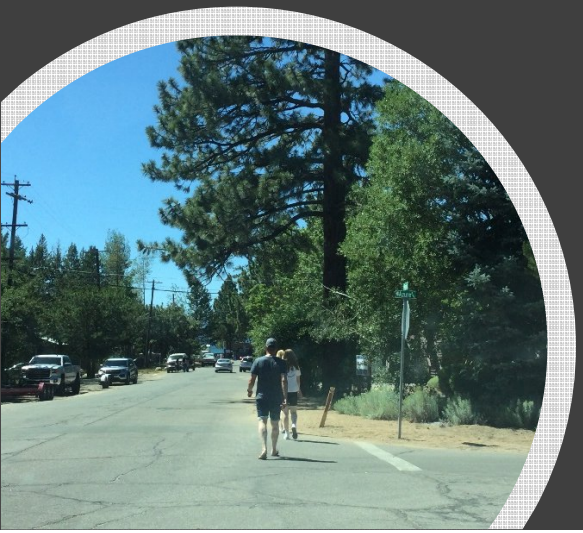
October 4, 2022

Sustainable Transportation Planning Grant Program

- Created to provide safe a safe and reliable transportation network that serves all people by funding planning projects that directly benefit the multi-modal transportation system, including consideration of:
  - Attaining Greenhouse Gas Emissions Reduction Targets
  - Improving Public Health
  - Fostering Social Equity/Environmental Justice
  - Protecting the Environment
  - Providing Multi-Benefits







Stateline Area Complete Streets Project

Current Challenges

- Limited Bike/ Pedestrian Improvements
- Heavy Use in Tourist Core
- Unstructured Parking
- Inadequate drainage:
  - Sediment impairs lake clarity
  - Ponding and freeze/thaw impacts pavement

Stakeholder Outreach and Community Engagement

Considerable Parking Challenges

- Hotel Parking Often Needed to Meet Required Minimums
- Boat Parking Considerations
- Heavy Use in Tourist Core
- Parking in Right-of-Way
- Mostly Dirt Shoulder and Public Parking






ENTRANCE FEES

Questions



City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 14

Agenda Item: Ordinance Amending Chapter 3.50 (Transient Lodging) of the South Lake Tahoe City Code Section 3.50.140 (Security for Collection of Tax) and Section 3.50.260 (Register to be Kept Two Years) to Clarify Language Regarding Security Instruments and Register Retention Period (Second Reading)

Executive Summary: On September 20, 2022, City Council held a first reading of the proposed changes to this ordinance and referred the second reading to this October 4th meeting for adoption. The proposed amendment to City Code section 3.50.140 regarding security deposit collection will help ensure timely recovery of uncollected Transient Occupancy Tax during the audit process. The proposed amendment to City Code section 3.50.260 to correct the section title will add consistency in the language between title and body to reflect common practice.

Requested Action / Suggested Motions: Pass an Ordinance amending Section 3.50.140 (Security for collection of tax) and Section 3.50.260 (Register to be kept two years) of the City Code Chapter 3.50 (Transient Lodging) to clarify language regarding security instruments and register retention period.
Responsible Staff Member: Ben Hannah, Accountant ll.

Responsible Staff Member: Ben Hannah Accountant ll (530) 542-6079

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report - City Code Amendments.docx
02-Ordinance - Transient Lodging.docx
03 - CSLT Red Line Transient Lodging 2022.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4th, 2022

Title: An Ordinance amending Section 3.50.140 (Security for collection of tax) and Section 3.50.260 (Register to be kept two years) of the City Code Chapter 3.50 (Transient Lodging) to clarify language regarding security instruments and register retention (Second Reading)

Location: Citywide

Responsible Staff Member: Ben Hannah, Accountant II (530) 542-6079
Olga Tikhomirova, Director of Finance (530)542-7431

Background: The existing City Code Title 3 Finance contains several provisions that require clean-up. The Finance Department proposes two revisions to streamline the collection of the Transient Occupancy Tax (TOT) security deposit and to clean up the recordkeeping section title for consistency with audit procedures.

Issue and Discussion: The proposed updates to Section 3.50.140 and Section 3.50.260 include the following updates:

- Section 3.50.140 Security for the collection of tax: The proposed update to this section will require security deposit payment for Transient Occupancy Tax to be made in the form of cash or cash equivalent only. Redemption of other security instruments such as certificate of deposit (CD) can be difficult as often the CD can be terminated upon simple notice forcing the oblige to commit staff time to recovery of the deposit monies. Additionally, record keeping of deposits in non-cash form over long time frames is proved to be unsuccessful and error prone.

- Section 3.50.260 Register to be kept two years: The title of this policy is inconsistent with the section body language and should reflect common practice and audit requirement of keeping the register for a minimum of three years.

Financial Implications: Streamlining the existing Finance City Code will reduce the time spent on code interpretation and allow city staff to spend more time assisting the community. Maintaining liquid security deposits in the form of cash or cash equivalents only will ensure timely and maximum Transient Occupancy Tax revenue recovery during the course of the audit process. Updating the code title has no financial impact.

Environmental Considerations: These amendments are exempt from CEQA under State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). Section 15061(b)(3) of the CEQA Guidelines states that an activity is covered by the commonsense exemption that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA review.

Policy Implications: The overall impact of financial policies is to strengthen and preserve the City's financial position and fiscal health as well as maintain the highest level of ethics in the stewardship of public funds.

Ordinance 2022-XXX

Adopted by the City of South Lake Tahoe City Council

October 4, 2022

Amending City Code Section 3.50.140 (Security for collection of tax) and Section 3.50.260 (Register to be kept two years) of the City Code Chapter 3.50 Transient Lodging to Clarify Language Regarding Security Instruments and Register Retention Period

FINDINGS

A. The City Council previously adopted regulations, policies, and procedures associated with regulations imposed upon the transient lodging industry, including the transient occupancy tax.

B. The language regarding type of instruments acceptable for Transient Occupancy Tax security deposits in Section 3.50.140 A (Security for Collection of Tax) is inconsistent with best practice, which is that acceptable deposits shall include cash and cash equivalents only. Other securities have been found ineffective to ensure compliance with chapter 3.50.140 D due to problems with redemption and record keeping.

C. The language in the title of Section 3.50.260 (Register to be kept two years) is inconsistent with body of the section, which states that a record of registered guests shall be kept for three years.

Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:

SECTION 1. Section 3.50.140 of the South Lake Tahoe City Code is hereby amended to read as follows:

3.50.140 Security for collection of tax

A. To ensure compliance with transient occupant tax payment requirements, the tax collector shall require each person subject to such requirements to deposit with the city a noninterest bearing security in the form of cash or cash equivalent in the amount required by the terms hereof. The required security shall be equal to an amount not greater than twice the person's estimated average liability for the period for which a return must be filed or the sum of $20,000, whichever is less. At any time after the amount of the initial deposit is determined, the amount of the security deposit may be determined on current information and recent reporting and payment history if the secured amount is deemed insufficient by the tax collector.

B. If any person is delinquent in the payment of the amount required to be paid or in the event a determination has been made that an amount due remains unpaid, the tax collector may, not later than three years after the payment became delinquent, give notice thereof by certified mail to all persons in the county having in their possession or under their control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent. After receiving the notice, the persons so notified shall neither transfer nor make any other disposition of the credits, other personal property or debts in their possession or under their

control at the time they receive the notice until the tax collector consents to a transfer or disposition or until 20 days elapse after the receipt of the notice. All persons so notified shall within five days after the receipts of the notice advise the tax collector of all such credits, other personal property or debts in their possession, under their control or owing by them.

C. At any time within three years after any tax or any amount of tax required to be collected becomes due and payable or at any time within three years after any determination becomes final, the tax collector may bring an action in the courts of this state or any other state or of the United States in the name of the city to collect the amount delinquent together with penalties and interest.

D. If any owner and/or operator of any business or the real property upon which such business is operated sells, transfers, assigns, leases or otherwise quits the business, and any person who takes ownership or operation of the business and/or real property upon which such business is operated shall, in escrow, or otherwise, pay such amount in full. The amount to be paid shall be determined by an audit for the last three fiscal years of the property being transferred conducted by the city, less the security deposit, if any, held by the city. No escrow shall be allowed to close concerning any property subject to this chapter unless sufficient funds are retained in escrow to cover any delinquency and paid over to the city from the escrow upon demand; provided, however, that such audit shall, in all cases, be completed within a reasonable period of time after all records necessary to the audit have been provided to the city. All sums deemed due the city at the completion of the audit shall be paid to the city at the completion of the audit, shall be paid to the city by the escrow holder upon written demand of the finance director.

If any such owner or operator of the business and/or the real property upon which the business is operated, or any escrow holder, fails to pay, withhold, or insure the withholding of the required sum, such person shall be liable for all monies due the city.

No city permit or entitlement of any type shall be issued to the successor, owner or operator of any transient lodging facility if transient occupancy taxes remain unpaid.

E. Notice shall be recorded with the El Dorado County recorder's office on every transient lodging facility containing more than two units, as defined in SLTCC 3.00.010. The following notice shall appear with regard to such properties:

> Pursuant to this chapter, if any owner or operator liable to the city for any amount of transient occupancy tax or security deposit sells, transfers or assigns the property, the purchasers or successors of such person shall, in escrow, hold sufficient funds to pay such amount in full. The amount shall be determined by audit as described in SLTCC 3.50.140(D).
>
> If any person fails to pay or withhold the required sum, or allows escrow to close without satisfaction in cash of the amount owed to the city, such person shall be personally liable.

F. If any amount of transient occupancy tax or security deposit required to be remitted or paid to the city under this section is not remitted or paid when due, the city finance director or his/her designee may, within three years after the amount is due, file for record in the office of the El Dorado County recorder a certificate specifying the amount of tax, penalties and interest due,

the name and address as it appears on the records of the city finance administrator of the owner and/or operator liable for that amount, and the fact that the city finance director has complied with all provisions of this section in the determination of the amount required to be paid to the city.

From the date of the filing for record, the amount required to be remitted together with penalties and interest constitutes a lien upon all real property in the county owned by the operator and/or owner, and any real property acquired by him/her at any subsequent date but before the lien expires. The lien has the force, effect and priority of a judgment lien and shall continue for 10 years from the time of filing of the certificate unless sooner released or otherwise directed.

SECTION 2. Section 3.50.260 of the South Lake Tahoe City Code is hereby amended to read as follows:

3.50.260 Register to be kept for three years.

Such register shall be kept within the city for a period of not less than three years by the person providing the accommodations as specified in SLTCC 3.50.250.

SECTION 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4. The City Clerk is directed to certify this ordinance and cause it to be published in the manner required by law.

SECTION 5. This ordinance shall become effective thirty days after the date of its adoption.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Devin Middlebrook, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading: September 20, 2022
Published:
Second Reading: October 4, 2022
Effective:

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

Chapter 3.50
TRANSIENT LODGING

Sections:

Article I. In General

3.50.010 Purpose of chapter.

Article II. Transient Occupancy Tax

3.50.040 Consideration for occupancy.
3.50.050 Tax imposed – Payment of tax by transient.
3.50.060 Allocation of funds.
3.50.070 Exemptions from applicability of tax.
3.50.080 Collection of tax by operators – Advertisement that tax will not be collected, etc., prohibited.
3.50.090 Registration of operators.
3.50.100 Registration of rental agents.
3.50.110 Reporting and remitting of transient occupancy tax.
3.50.130 Failure to collect and remit tax – Penalties.
3.50.140 Security for collection of tax.
3.50.150 Administration.
3.50.160 Refunds.
3.50.170 Records to be kept.
3.50.230 Warrant for collection of tax.
3.50.240 Seizure and sale.

Article III. Registration of Guests

3.50.250 Required information to be shown.
3.50.260 Register to be kept ~~two~~ three years.
3.50.270 Inspection of register.
3.50.280 Fictitious registration.
3.50.290 Law to be posted.

Article IV. Transit Vehicles

3.50.300 Parking for chartered transit vehicles.

Article V. Vacation Home Rentals

3.50.370 Definitions.
3.50.380 Vacation home rentals – General provisions.
3.50.390 Vacation home rental application procedures.
3.50.400 Expiration and renewal of vacation home rental permits.
3.50.410 Review, issuance and denial of vacation home rental permit applications.
3.50.420 Revocation of vacation home rental permit.
3.50.430 Appeal from director of development services' determination.
3.50.440 Conditions of operation.
3.50.450 Enforcement.
3.50.460 No property rights conferred.

3.50.140 Security for the collection of tax.

A. To ensure compliance with transient occupant tax payment requirements, the tax collector shall require each person subject to such requirements to deposit with the city a noninterest bearing security in the form of cash or ~~other security~~ cash equivalent in the amount required by the terms hereof. The required security shall be equal to an amount not greater than twice the person's estimated average liability for the period for which a return must be filed or the sum of $20,000, whichever is less. At any time after the amount of the initial deposit is determined, the amount of the security deposit may be determined on current information and recent reporting and payment history if the secured amount is deemed insufficient by the tax collector.

B. If any person is delinquent in the payment of the amount required to be paid or in the event a determination has been made that an amount due remains unpaid, the tax collector may, not later than three years after the payment became delinquent, give notice thereof by certified mail to all persons in the county having in their possession or under their control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent. After receiving the notice, the persons so notified shall neither transfer nor make any other disposition of the credits, other personal property or debts in their possession or under their control at the time they receive the notice until the tax collector consents to a transfer or disposition or until 20 days elapse after the receipt of the notice. All persons so notified shall within five days after the receipts of the notice advise the tax collector of all such credits, other personal property or debts in their possession, under their control or owing by them.

C. At any time within three years after any tax or any amount of tax required to be collected becomes due and payable or at any time within three years after any determination becomes final, the tax collector may bring an action in the courts of this state or any other state or of the United States in the name of the city to collect the amount delinquent together with penalties and interest.

D. If any owner and/or operator of any business or the real property upon which such business is operated sells, transfers, assigns, leases or otherwise quits the business, and any person who takes ownership or operation of the business and/or real property upon which such business is

operated shall, in escrow, or otherwise, pay such amount in full. The amount to be paid shall be determined by an audit for the last three fiscal years of the property being transferred conducted by the city, less the security deposit, if any, held by the city. No escrow shall be allowed to close concerning any property subject to this chapter unless sufficient funds are retained in escrow to cover any delinquency and paid over to the city from the escrow upon demand; provided, however, that such audit shall, in all cases, be completed within a reasonable period of time after all records necessary to the audit have been provided to the city. All sums deemed due the city at the completion of the audit shall be paid to the city at the completion of the audit, shall be paid to the city by the escrow holder upon written demand of the finance director.

If any such owner or operator of the business and/or the real property upon which the business is operated, or any escrow holder, fails to pay, withhold, or insure the withholding of the required sum, such person shall be liable for all monies due the city.

No city permit or entitlement of any type shall be issued to the successor, owner or operator of any transient lodging facility if transient occupancy taxes remain unpaid.

E. Notice shall be recorded with the El Dorado County recorder's office on every transient lodging facility containing more than two units, as defined in SLTCC 3.00.010. The following notice shall appear with regard to such properties:

> Pursuant to this chapter, if any owner or operator liable to the city for any amount of transient occupancy tax or security deposit sells, transfers or assigns the property, the purchasers or successors of such person shall, in escrow, hold sufficient funds to pay such amount in full. The amount shall be determined by audit as described in SLTCC 3.50.140(D).
>
> If any person fails to pay or withhold the required sum, or allows escrow to close without satisfaction in cash of the amount owed to the city, such person shall be personally liable.

F. If any amount of transient occupancy tax or security deposit required to be remitted or paid to the city under this section is not remitted or paid when due, the city finance director or his/her designee may, within three years after the amount is due, file for record in the office of the El Dorado County recorder a certificate specifying the amount of tax, penalties and interest due, the name and address as it appears on the records of the city finance administrator of the owner and/or operator liable for that amount, and the fact that the city finance director has complied with all provisions of this section in the determination of the amount required to be paid to the city.

From the date of the filing for record, the amount required to be remitted together with penalties and interest constitutes a lien upon all real property in the county owned by the operator and/or owner, and any real property acquired by him/her at any subsequent date but before the lien expires. The lien has the force, effect and priority of a judgment lien and shall continue for 10 years from the time of filing of the certificate unless sooner released or

otherwise directed. (Ord. 294 § 2; Ord. 442 § 1; Ord. 680 § 1; Ord. 722 § 1; Ord. 780 § 2; Ord. 848 § 1; Ord. 980 § 1; Ord. 1109 § 1 (Exh. A). Code 1997 § 28A-21)

3.50.260 Register to be kept ~~two~~ three years.

Such register shall be kept within the city for a period of not less than three years by the person providing the accommodations as specified in SLTCC 3.50.250. (Ord. 295 § 2; Ord. 1109 § 1 (Exh. A). Code 1997 § 28A-28)

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 15

Agenda Item: Tahoe Basin Transportation Action and Funding Plan Support

Executive Summary: On September 6, 2022, the City Council received a presentation from Tahoe Regional Planning Agency (TRPA) for the Tahoe Basin Transportation Action Plan and the proposed 7-7-7 funding framework. The Action Plan is a product of the Bi-State Consultation and reflects the collaboration across local, state, and federal agencies. It prioritizes the most important transportation projects in the region and establishes funding-framed work to make these projects a reality. The proposed transportation investments are being secured through a 7-7-7 funding framework, with which each sector of partnership - local/regional governments and businesses, state agencies, and federal government- works to allocate additional investment of $7 million per year to fund the regional and local transportation projects. The adoption of the proposed Resolution supports the regional collaboration and commitment of the City of South Lake Tahoe for additional funding allocation for City's transportation priority projects.

Requested Action / Suggested Motions: Pass a Resolution Committing to a regional transportation funding partnership effort to jointly raise a minimum of $20 million per year for transportation and transit services in the Lake Tahoe region to support implementation of the Regional Transportation Plan.
Responsible Staff Members: Joe Irvin, City Manager and Anush Nejad, Director of Public Works

Responsible Staff Member: Joe Irvin, City Manager (530) 542-6043
Anush Nejad, Director of Public Works (530) 542-6031

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01 - Staff Report TRPA Transportation Funding Support.docx
02 - CA and NV Letter of Support.pdf
03 - Placer County Staff Report and Resolution.pdf
04 - El Dorado County Letter of Support.pdf
05-Resolution - Tahoe Basin Transportation Action Plan.docx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Tahoe Basin Transportation Action and Funding Plan Support

Location: Citywide

Responsible Staff Member: Joe Irvin, City Manager – (530) 542-6043
Anush Nejad, Director of Public Works – (530) 542-6031

Background: The Tahoe Regional Planning Agency (TRPA) provided a presentation to the City Council on September 6th on the 2020 Lake Tahoe Regional Transportation Plan (RTP). The RTP includes $2.4 billion in transportation projects to achieve the region's environmental, social, and economic goals for the next 25 years. The action plan represents a collective commitment to funding initial priority transportation projects from the RTP. The projects in the Regional Transportation Plan were developed in consultation with local government and State representatives.

As a part of the funding plan, TRPA and the partner agencies have developed a shared 7-7-7 funding framework in which each sector of the partnership – local/regional governments and businesses, state agencies, and federal government – works to allocate an additional investment of $7 million per year toward the program. These investments can include congressionally designated funds, state budget support, local jurisdiction funding, and investment from local businesses, in the Transportation Action Plan

Issue and Discussion: As a partner, TRPA has requested that the City Council consider adopting a Resolution supporting the 7-7-7 shared funding framework. This general endorsement would help maintain momentum with the partnership. Currently, the partners are in various stages of endorsing the 7-7-7 shared funding approach, as summarized below.

1. **Federal Support:** Congressional Delegation members (CA- Padilla, and NV- Cortez-Masto & Rosen) expressed support at Tahoe Summit for the 7-7-7 shared funding approach. TRPA has already seen their support via earmarks and grant support, and TRPA plans to continue this outreach for the partnership.
2. **State Support:**
    a. California: Joint letter supporting the 7-7-7 from cabinet-level officials (Attachment 2).
    b. Nevada: Joint letter supporting the 7-7-7 from cabinet-level officials (Attachment 2).
    c. Active budget requests are currently in process for both state budget processes. Additional support for grant applications from Caltrans and CA Transportation Commission has been secured by TRPA and will be a focus of continuing as grant applications are advanced.

3. **Local Support:**

    a. Placer County: Resolution of support of the 7-7-7 shared funding strategy was adopted (Attachment 3).

    b. Douglas County: Additional funding for micro-transit is under consideration in addition to current TOT funding contributed to transportation.

    c. Washoe County: Resolution/formal support for 7-7-7 under consideration. A resolution of support and additional transportation funding is actively being requested by Commissioner Hill.

    d. El Dorado County: Consideration of a resolution or formal support is under consideration. TRPA is responding to a request from the County Commission for more information on the 7-7-7 initiative. El Dorado County has committed additional TOT revenue to support transit and is placing a ballot measure in front of voters to fund transportation. (Attachment 4).

The funding support is a broad endorsement and support for the regional partnership to pursue additional funding at the federal, state, and local levels. The City of South Lake Tahoe is already allocating additional funding to City's Transportation projects. Adoption of the resolution does not commit any specific funds toward the program. Any funds generated locally will be used for local projects that will benefit the regional transportation system. The current high-priority projects include:

- Dennis T. Machida Memorial Trail – Herbert Ave to Van Sickle
- Park Avenue and Lakeshore Blvd Complete Streets
- Johnson Blvd Complete Streets Project
- Y-Mobility Hub
- Roadway/Trail Overlay & Rehabilitation

Other projects will be considered annually with the Capital Improvement Program adaption. The City Council will have to opportunity to approve each project, including the funding plan during the budget adoption process.

Financial Implications: The proposed funding strategy is a collaborative effort between TRPA and bi-state partner agencies, including the City of South Lake Tahoe. Each agency will endeavor to generate additional funding for projects within each responsible jurisdiction. The City is currently providing the matching funds for state and federal grants, which constitutes City's contribution.

Environmental Considerations: Receiving this report and providing direction to staff is not approval of a project subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15352 and 15378 because it does not commit the City to a definite course of action regarding the projects listed within the Capital Improvement Plan and does not have the potential for resulting in either a direct or reasonably foreseeable indirect physical change to the environment.

Policy Implications: Adoption of the Funding Plan resolution promotes regional collaboration and support.

Transportation: A Bi-State Commitment to Improving Lake Tahoe

Lake Tahoe's awe-inspiring environment has attracted visitors from across the globe for generations. Its proximity to major metropolitan areas in Northern California and Nevada make it a popular destination for millions of people getting outdoors into nature. The Tahoe Basin is also a beloved home to tens of thousands of residents and the sacred ancestral lands of the Washoe Tribe of Nevada and California. Today, providing a world class transportation system for residents and visitors is a priority for leaders in California and Nevada. Our states recognize that the health of the lake, local communities, and economy are at risk from outdated transportation infrastructure.

Since 2017, the Director of the Nevada Department of Conservation and Natural Resources and the Secretary of the California Natural Resources Agency have convened a Bi-State Consultation on Transportation for Lake Tahoe. The Bi-State working group brings together public and private sector partners to catalyze needed transportation investment in the Tahoe Region.

The Lake Tahoe Transportation Action Plan is a product of this Bi-State Consultation and reflects the collaboration across local, state, and federal agencies. It prioritizes the most important transportation projects and a establishes a funding framework to make these projects a reality.

Transportation investments are being secured through a '7-7-7' funding framework in which each sector of the partnership—local/regional governments and business, state agencies, and federal government— works to allocate additional investments of $7 million per year. These investments include congressionally designated funds, state supported grant applications, local jurisdiction funding, and private investment from local businesses.

Recent accomplishments include:

- $2 million in congressionally designated funding for state Route 28 corridor implementation.
- Approximately $700,000 in new federal annual support for transit operations.
- Nevada passage of Senate Concurrent Resolution 8 (2021) to support transportation solutions at Lake Tahoe.
- California joint funding application with Placer County.
- Public-private partnerships to launch micro-transit service on both the North and South Shores.

We are committed to continuing to build momentum for critical transportation improvements at Lake Tahoe. This shared effort will help us protect and maintain this world-renowned place for residents and visitors alike.

Wade Crowfoot, Secretary
California Natural Resources Agency
State of California

Jim Lawrence, Acting Director
Nevada Department of Conservation and
Natural Resources
State of Nevada

MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION
County of Placer

TO: Honorable Board of Supervisors **DATE:** May 24, 2022

FROM: Todd Leopold, County Executive Officer

BY: Stephanie Holloway, Principal Management Analyst

SUBJECT: Tahoe Transportation District (TTD) – Regional Transportation Funding Support

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ACTION REQUESTED

Adopt a resolution approving a commitment to a regional partnership effort to raise a minimum $20 million per year for transportation improvements and transit services in the Lake Tahoe region to support implementation of the Regional Transportation Plan.

BACKGROUND

The Lake Tahoe region is an area of unique and irreplaceable beauty as well as a world-renowned visitor destination. This region is located within driving distance of several urban areas experiencing continuous population growth. The Tahoe Regional Planning Agency's (TRPA) Regional Transportation Plan (RTP) recognizes that creating or expanding existing road systems for personal vehicle transportation is not in the best interest of this cherished resource and therefore focuses on a strategy of improving transportation and the movement of people and goods through more alternative and sustainable programs and improvements such as transit services, increased technology, bike and pedestrian trails and other community enhancements.

Most recently, the COVID-19 pandemic has resulted in an increase in the number of individuals and families visiting the Lake Tahoe region as well as relocating as a result of telework options. Visitor demand, population growth in the surrounding urban areas and relocations to the Lake Tahoe region are expected to increase into the future, placing even greater strain on the region's already stressed transportation infrastructure and developing transit systems. The increasing pressure on the transportation system has the potential to accelerate environmental and public safety impacts, including traffic congestion, increased pollution, erosion and storm water runoff, and unsafe conditions for visitors because of the lack of personal vehicle parking and safe alternative transportation options such as walking and biking paths, and other multi-modal transportation services.

At the December 1, 2021 Tahoe Transportation District (TTD) Board meeting, Board members discussed the need for a sustainable regional transportation revenue source, including an update by TTD staff on the Bi-State Consultation on Transportation meeting which was held on November 30, 2021. This discussion resulted in the desire to develop a potential federal/state/local/private partnership funding package. The potential partnership funding

package concept includes three components needing additional work to see if agreement on the package can be reached. The first component is a commitment by the two state governor representatives to address what actions the two states and federal government may be able to pursue to address a portion of the minimum annual funding target of $20 million in transportation funds. The second is for the TTD Board to determine what could be pursued to address the local and, to a lesser degree, the private sector share of the $20 million; and, finally, the third component is to address a possible zonal fee for two recreation corridor segments--SR 28 on the Nevada side and SR 89 on the California side of the basin.

At the January 5, 2022 TTD meeting, the Board continued to discuss the approach to be taken and consideration of funding sources, using TTD's funding authority to seek potential measures at the regional level. Subsequent discussion amongst local elected officials on the Board has considered the idea of providing local share through jurisdictional efforts rather than regional, including budget appropriations. The TTD Regional Partnerships and Communication Committee has had several further discussions on the revenue package, the last of which was at their March 2, 2022 meeting, which resulted in the following affirmative motion: Ms. Gustafson moved to recommend the formal endorsement of the 7-7-7 plan; fulfilling a $20 million dollar annual funding target through federal, state and local/private contributions of $7 million per year.

The TTD and TRPA staff, along with the Regional Government Services (RGS) consultant team are continuing discussions with staff of other transportation implementation jurisdictions on the Tahoe Transportation Implementation Committee (TTIC), a technical advisory group, on the three package elements. The team has been working with the TTIC members from local governments, including Placer County, and the state departments of transportation to help answer some questions that have been asked through the TTD Board work. Among those questions include: "What are the transportation improvements that would be important to the local jurisdictions and to regional system improvement that the sectors funds could address?" and "How would the responsibility for reaching the funding goal be apportioned to the jurisdictions?" A draft list of proposed projects from the TTIC for the entire Lake Tahoe region has been developed as part of this effort and includes implementation of the Tahoe Area Regional Transit (TART) systems plan, Fanny Bridge project completion, transit priority lanes on SR 89 and 267 as well as priority trail segments within Placer County. The discussion of funding apportionments of the annual regional local portion ($7 million) is continuing at the staff technical level but will most likely be tied to a technical determination of transportation demand and/or infrastructure needs.

Placer County Department of Public Works and County Executive Office staff have been engaged with the above-mentioned TTIC discussions and continue to support the effort to establish a sustainable transportation funding strategy approach to implement Board-supported transportation programs and projects within the Lake Tahoe region and beyond. These programs and projects support a continued commitment to the balance of tourism and

sustainability in this region of Placer County. The first step in the development of the 7-7-7 funding plan and partnership is to hopefully arrive at a local jurisdictional consensus for an approach to advance a proposal for discussion at the state and federal level. The commitment to this effort by the Placer County Board would provide for momentum and leadership within the local partnership of the region.

FISCAL IMPACT
There is no fiscal impact associated with this item at this time.

ATTACHMENTS
Attachment 1 – Resolution

Before the Board of Supervisors
County of Placer, State of California

In the matter of: A RESOLUTION APPROVING A COMMITMENT TO A REGIONAL TRANSPORTATION FUNDING PARTNERSHIP EFFORT TO RAISE A MINIMUM OF $20 MILLION PER YEAR FOR TRANSPORTION AND TRANSIT SERVICES IN THE LAKE TAHOE REGION TO SUPPORT IMPLEMENTATION OF THE REGIONAL TRANSPORTATION PLAN

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held May 24, 2022, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

_____
Chair, Board of Supervisors

Attest:

_____
Clerk of said Board

WHEREAS, the Lake Tahoe region is an area of unique and irreplaceable beauty as well as a world-renowned visitor destination; located near several urban areas experiencing continuous population growth; and

WHEREAS, the Tahoe Regional Planning Agency's (TRPA) Regional Transportation Plan (RTP) recognizes that creating or expanding existing road systems for personal vehicle transportation is not in the best interest of this cherished resource and therefore focuses on a strategy of improving transportation and the movement of people and goods through more alternative and sustainable programs and improvements such as transit services, increased technology, bike and pedestrian trails and other community enhancements; and

WHEREAS, the Tahoe Transportation District (TTD) is working with the public, private sector, local, state, regional, and federal partners to obtain funding for capital project and transit services through new funding authorities and sources, as well as ensure that regional planning efforts benefit from TTD experience; and

WHEREAS, alternative transportation programs and projects support a continued commitment to the balance of tourism and sustainability in this region of Placer County; and

WHEREAS, development of a Lake Tahoe regional transportation partnership funding package (the 7-7-7 sustainable transportation funding plan), includes equal participation from federal, state, and local/private partners, and

WHEREAS, the 7-7-7 sustainable transportation funding plan would strive to incorporate a commitment by the Nevada and California state governor representatives to address what actions the two states and federal government may be able to pursue to address a portion of the minimum annual funding target of $20 million in transportation funds.

WHEREAS, the 7-7-7 sustainable transportation funding plan would fulfill a $20 million annual funding target through federal, state and local/private contributions of $7 million per year each; and

WHEREAS, the first step in the development of the 7-7-7 sustainable transportation funding plan and partnership is to hopefully arrive at a local jurisdictional consensus for an approach to advance a proposal for discussion at the state and federal level. The commitment to this effort by the Placer County Board of Supervisors would provide momentum and leadership within the local partnership of the region.

NOW, THEREFORE, BE IT RESOLVED, that the Placer County Board of Supervisors hereby supports continued coordination with the TRPA and TTD to identify a fair and equitable partnership between federal, state, and local/private entities with the goal of development of a sustainable approach to long term transportation funding needs for the Lake Tahoe region.

The foregoing Resolution was duly passed and adopted by the Board of Supervisors for the County of Placer, State of California at the regular meeting of the Board of Supervisors on May 24, 2022, by the vote listed above.

COUNTY OF EL DORADO

330 Fair Lane
Placerville, CA 95667
(530) 621-5390
(530) 622-3645 Fax

KIM DAWSON
Clerk of the Board



BOARD OF SUPERVISORS

JOHN HIDAHL
District I
GEORGE TURNBOO
District II
WENDY THOMAS
District III
LORI PARLIN
District IV
SUE NOVASEL
District V

August 23, 2022

Julie Regan, TRPA External Affairs Chief
PO Box 5310
Stateline, NV 89449
VIA Email jregan@trpa.gov

Dear Ms. Regan,

I am writing to thank you and Dr. Miller for your April 12, 2022, presentation to the Board of Supervisors about regional transit in the Tahoe Basin. As most interested parties will agree, transportation is essential to the Tahoe area's economy, and an efficient regional transportation system is a key component of livability for year-round residents and to keeping the area attractive to visitors.

The 2020 Regional Transportation Plan (RTP) is an ambitious undertaking and will, if it is to be successful, require support and funding from a wide range of stakeholders. Our Board members have been contacted by individuals with concerns for how local businesses and residents could be negatively impacted and carry the burden of several of the proposed funding mechanisms outlined in the November 30, 2021, public draft of the Lake Tahoe Sustainable Transportation Funding Initiative. While we appreciate that the Funding Initiative explores many new and creative revenue generating sources, such as a Vacancy Tax, Basin Entry Transportation User Fee, and Zonal Transportation Fee, several of these new revenue streams will require action by both the California and Nevada legislature and/or voter approval with a 2/3 majority. With the current rise in inflation and the desire to support lower- and middle-income residents who struggle daily with the cost of living in the Tahoe Basin, it is questionable as to whether legislators or the voters will support additional fees and taxes to mitigate the impacts of tourists.

A 22-1506

The June 15, 2022, Staff Report from TRPA Staff to the TRPA Governing Board references the 7-7-7 funding strategy and states, "This 7-7-7 strategy was endorsed by the Bi-State Consultation, the Tahoe Transportation District Board of Directors, and is currently being brought forward to the local government partners for formal endorsement. Placer County has already committed to the 7-7-7 strategy via a Board of Supervisors resolution, and we expect additional local government support over the coming months." Before our Board of Supervisors can take a position on any of these proposals, we will need additional information relative to how they will be implemented, the timing of the implementation, and the impacts to El Dorado County businesses and residents in the Tahoe Basin as well as El Dorado County employees who commute to the Basin for work.

We look forward to additional updates on your progress of this ambitious effort.

Sincerely,

Lori Parlin, Chair
El Dorado County Board of Supervisors

cc: TRPA Governing Board VIA Email trpa@trpa.gov

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Approving a Commitment to a Regional Transportation Funding Partnership Effort to Jointly Raise a Minimum of $20 Million Per Year for Transportation and Transit Services in the Lake Tahoe Region to Support Implementation of the Regional Transportation Plan

BACKGROUND

A. The Lake Tahoe region is an area of unique and irreplaceable beauty as well as a world-renowned visitor destination; located near several urban areas experiencing continuous population growth.

B. The Tahoe Regional Planning Agency's (TRPA) Regional Transportation Plan (RTP) recognizes that creating or expanding existing road systems for personal vehicle transportation is not in the best interest of this cherished resource and therefore focuses on a strategy of improving transportation and the movement of people and goods through more alternative and sustainable programs and improvements such as transit services, increased technology, bike, and pedestrian trails and other community enhancements.

C. The TRPA and Tahoe Transportation District (TTD) is working with the public, private sector, local, state, regional, and federal partners to obtain funding for capital project and transit services through new funding authorities and sources, as well as ensure that regional planning efforts benefit from TTD experience.

D. Alternative transportation programs and projects support a continued commitment to the balance of tourism and sustainability in South Lake Tahoe.

E. Development of a Lake Tahoe regional transportation partnership funding package (the 7-7-7 sustainable transportation funding plan), includes equal participation from federal, state, and local/private partners.

F. The 7-7-7 sustainable transportation funding plan would strive to incorporate a commitment by the Nevada and California state governor representatives to address what actions the two states and the federal government may be able to pursue to address a portion of the minimum annual funding target of $20 million each from federal and state for transportation funds.

G. The 7-7-7 sustainable transportation funding plan would fulfill a $20 million annual funding target through federal, state, and local/private contributions of $7 million per year each.

H. The first step in the development of the 7-7-7 sustainable transportation funding plan and partnership is to arrive at a local jurisdictional consensus for an approach to advance a proposal for discussion at the state and federal levels.

I. The commitment to this effort by the City of South Lake Tahoe City Council would provide momentum and leadership within the local partnership of the region.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Supports continued coordination with the TRPA and TTD to identify a fair and equitable partnership between federal, state, and local/private entities with the goal of developing a sustainable approach to long-term funding need for the Lake Tahoe region.
2. The City of South Lake Tahoe will endeavor to allocate its fair share of the local funding in support of local South Lake Tahoe projects in the RTP.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 16

Agenda Item: Broadband Feasibility Study Update and Financial Options

Executive Summary: On September 6, 2022, Neo Connect, the Broadband Feasibility Study consultant, provided an update on the activities related to the Broadband Feasibility Study. The results of the community survey and four potential options for Broadband expansion and upgrades were presented. Neo Connect will present the results of stakeholder surveys and financial models to receive input from the City Council.

Requested Action / Suggested Motions: City Council is asked to provide direction to the City Manager on the Broadband Feasibility Study and options to improve service in the South Lake Tahoe.
Responsible Staff Member: Anush Nejad, Director of Public Works

Responsible Staff Member: Anush Nejad, Director of Public Works (530) 542-6031

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01- Staff Report Broadband Services Update.docx
02-CSLT_Broadband_Study_Operating_Models_and_Financial_Implications.pptx

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Broadband Feasibility Study Update and Financial Options

Location: Citywide

Responsible Staff Member: Anush Nejad, Director of Public Works - (530) 542-6031

Background: On May 3, 2022, the City Council awarded a contract to NEO Connect to prepare the Broadband Feasibility Study. On September 6, 2022, NEO Connect presented a report and update to the City Council regarding community surveys and options for Broadband implementation. The Council provided comments and direction to City staff.

Issue and Discussion: NEO Connect and City have continued with community outreach activities. A community meeting was organized on September 8 at the Recreation Center and two virtual meetings were held on September 13th and 15th to receive additional input from the residents and business community.

In addition, NEO Connect has had meetings with Spectrum and AT&T, the existing service providers, as well as other major stakeholders, including Liberty Energy, Tahoe Transportation District, STPUD, Barton Hospital, Lake Tahoe Unified School District, Chamber of Commerce, Heavenly (Vale Resorts), and others.

During the September 8th, City Council meeting, NEO Connect presented four models for Broadband growth in the City. These models include:

1. Infrastructure Provider, Dark Fiber Lease, Open Access Middle Mile Fiber Network – This option will include the construction of an underground fiber optics network to connect key government and stakeholder facilities and assets. This option will allow the creation of smart-city, parking, transit, energy, and utility SCADA systems, as well as fiber connections to cell towers. The excess capacity to internet service providers increases further competition, increases existing network capacity, and improves the reliability of existing service providers' networks.
2. Open Access Provider – This option requires the City to build the fiber optics network and make it available to Information System Providers (ISP) on an indiscriminate basis. An example of this model is the Rural County Representatives of California (RCRC), which is a thirty-nine-member county service organization that champions policies on behalf of California's rural counties, which includes El Dorado County. RCRC was founded more than 40 years ago to represent California's small, rural counties on issues that are unique to them.

3. Municipal-owned and Operated Utility – With this model, the City will build, operate and maintain the fiber optics, and broadband services, and becomes an Information System Provider. The services can be provided in-house or contracted to a third-party ISP.
4. Public Private Partnership (PPP). With this model, the City and other ISPs will share the capital, operations, and maintenance costs.

NEO Connect will provide financial analysis, advantages, and disadvantages, for each option and will receive input and direction from the City Council.

Financial Implications: Receiving this report and providing direction to staff does not commit any additional funding to the project. The goal of the project is to identify potential projects that would be submitted to City Council for consideration and funding allocation at a future date.

Environmental Considerations: Receiving this report and providing direction to staff is not approval of a project subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15352 and 15378 because it does not commit the City to a definite course of action regarding the projects listed within the Capital Improvement Plan and does not have the potential for resulting in either a direct or reasonably foreseeable indirect physical change to the environment.

Policy Implications: This project advances the City Council Strategic Priorities and Goals, specifically:

- **Action Item 1.1 (Broadband For All)** to connect the community via high-speed internet to serve the needs of local businesses, and residents, and attract remote workers to the Region. Develop a broadband infrastructure deployment plan that identifies fiber hubs, last-mile transit, relay points, and redundancy. The city should explore innovative broadband models and funding opportunities to implement projects

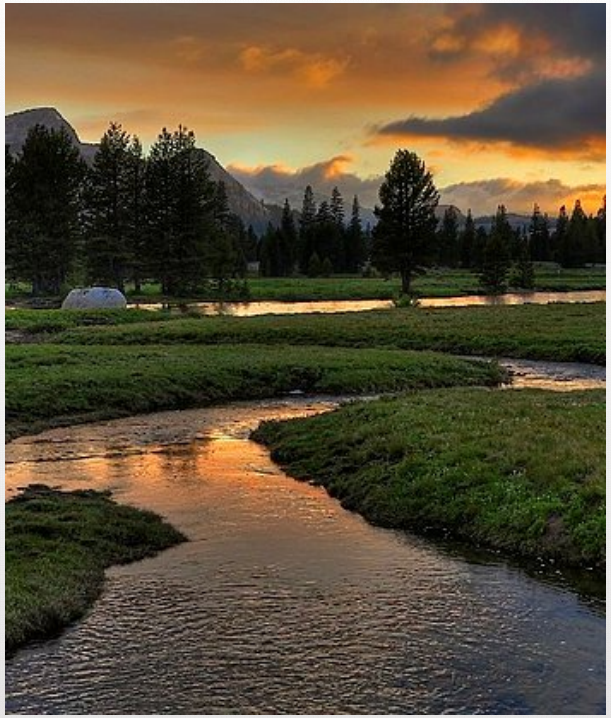


City of South Lake Tahoe Broadband Study
Models and Financial Implications
October 2022

NEO CONNECT

Agenda, Broadband Plan Update

- Introduction
- Fiber to the Premise (FTTP) Capital Costs and Phasing
- Operating Models, Pros and Cons
- Operating Models, Financial Implications
- Feedback from City Council
- Next steps



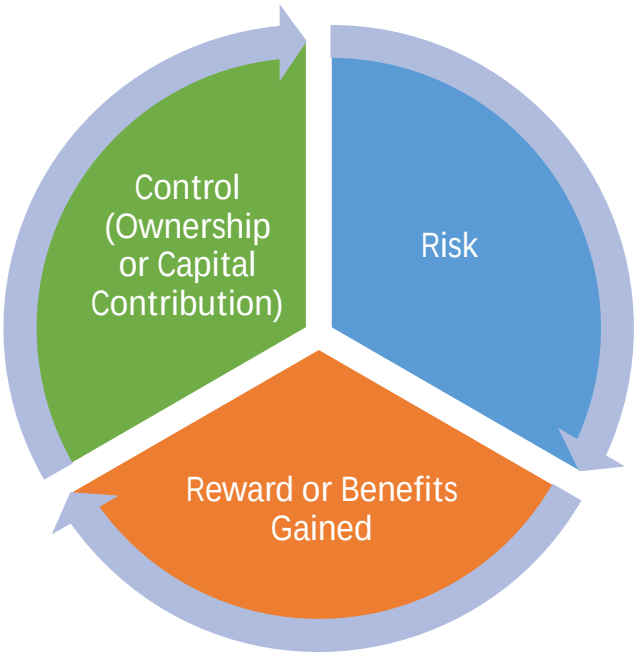
Operating Models, Questions to Consider

- Many options for improving broadband, which is the right one for the City?
- What is the role of government in this effort?
- Who pays for what?
- Who does what?
- City's appetite for involvement and investment
- Given grant funding available, there may be many favorable and feasible options for the City

Manage Tension of Control, Risk, Reward

Control = Capital

- Can the Local Government Contribute Capital or Facilitate Grant Funding?



Risks Include:

- Political
- Capital
- Execution – both Construction and Operational

Rewards Include:

- Ubiquitous Coverage
- Build-out Schedule
- Pricing
- Competition
- Lower-Income Offering
- Co-Branding

PPP's Models Have Changed

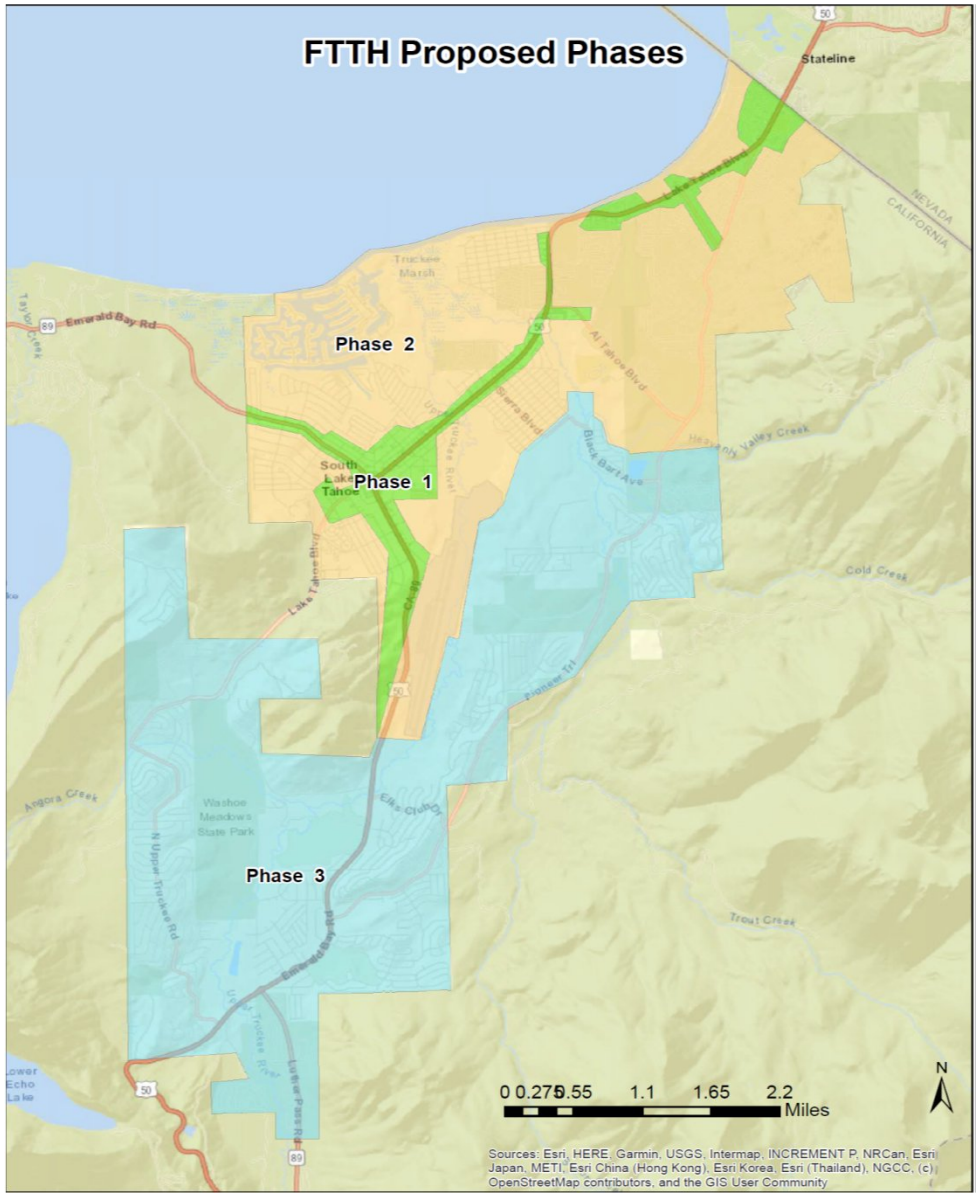
- Local Government May Share in Capital Risk, but no longer required
- "Land Grab"
- Markets typically cannot support more than 2-3 FTTP providers

Capital Cost Estimates and Phasing

Phase 1 and Phase 2 are located within the City boundaries

Phase 3 is located in the County

Focus of today's discussion will be for areas within the City; however, negotiations for service providers could be enhanced with the inclusion of the County households and businesses adjacent to the City and the County's involvement



Capital Cost Estimates and Phasing

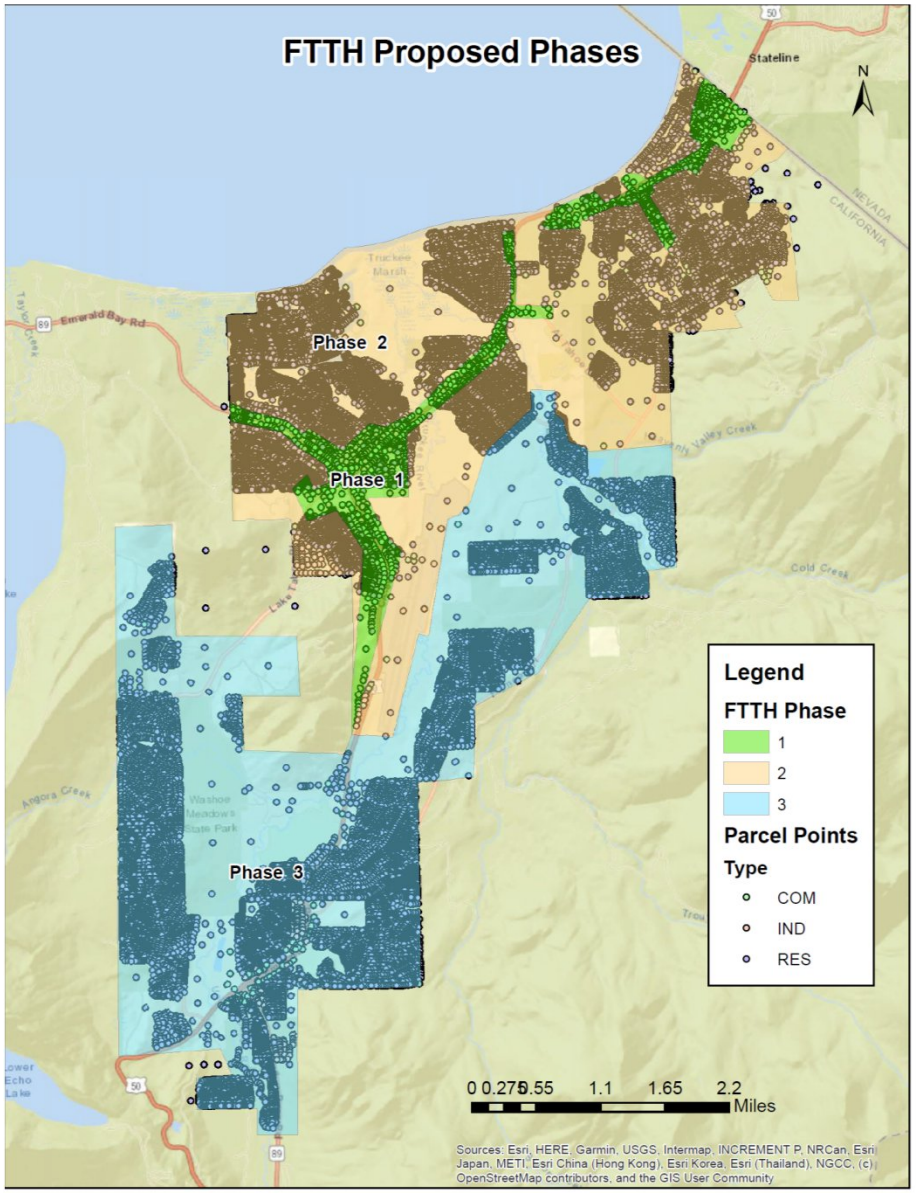
Same map and phasing with household data

Phase 1:
- 899 Residential Units
- 806 Business/Commercial Units
- 72 Units/Mile Density

Phase 2:
- 8035 Residential Units
- 106 Business/Commercial Units
- 87 Units/Mile Density

Phase 3:
- 9544 Residential Units
- 184 Business/Commercial Units
- 77 Units/Mile Density

30 Units/Mile Density is attractive to service providers from an investment and ROI standpoint



Capital Costs, Major Assumptions

Major Assumptions		Phase 1	Phase 2	Phase 3
# Parcels/Passings		1705.00	8202.00	9728.00
Total Plant Miles		23.59	94.20	126.40
# Poles		581.00	2421.00	890.00
Est. Aerial Miles		16.52	68.77	25.28
Est. UG Miles		7.08	25.43	101.12
Aerial %		70%	73%	20%
UG %		30%	27%	80%
Density HH/Mile		72.27	87.07	76.96
Take Rate		75%	75%	75%
Make Ready Cost per mile (all in labor only)		30,518	30,518	30,518
ADSS or Strand/Lash		Strand/Lash	Strand/Lash	Strand/Lash
Missile Bore/Open Trench %		0%	0%	0%
Directional Bore %		75%	75%	75%
Plow %		25%	25%	25%
LD Downtown %		0%	0%	0%
HD Downtown %		0%	0%	0%
Rock Adder %		25%	25%	25%
Cut/Restore %		2%	2%	2%
Make Ready Construction		yes	yes	yes
OLT Equipment		yes	yes	yes
ONT Equipment		yes	yes	yes

Capital Costs, Major Assumptions

Capital Costs, FTTP		Phase 1	Phase 2	Phase 3	Totals for Phase 1, 2 and 3	Total for Phase 1 and 2
Overall	Project Cost	$5,644,872	$23,658,630	$45,198,298	$74,501,800	$29,303,502
	Cost per HHP	$3,310.78	$2,884.50	$4,646.21		
	Cost per HHS	$4,414.37	$3,845.99	$6,194.94		
	Cost per MI	$239,256.68	$251,153.19	$357,581.47		
Engr. Labor	Project Cost	$394,976	$1,851,513	$2,015,274		
Aerial Labor	Project Cost	$872,380	$3,631,490	$1,341,163		
UG Labor	Project Cost	$1,707,530	$6,152,807	$24,398,782		
Tech Services Labor	Project Cost	$188,142	$892,981	$1,059,131		
Customer Premise Labor and Install Materials including Splitters	Project Cost	$1,353,239	$6,486,661	$8,070,867		
OSP Materials	Project Cost	$982,148	$4,025,050	$7,596,403		
Electronics	Project Cost	$146,456	$618,128	$716,678		

Models to Consider

Infrastructure Provider, Dark Fiber Lease
Open Access Middle Mile Fiber Network

- Connect key government, anchor and stakeholder locations, smart-city, parking, transit, energy and utility SCADA systems, cell towers
- Lease excess capacity to internet service providers to incent further competition, increase existing network capacity and improve reliability of existing service providers' networks

1. Open Access Provider

- City builds the network, available on a undiscriminated basis to any providers
- RCRC has formed a Joint Powers Authority to do this for 38 counties
- If the City owns the network: City funds, constructs, owns and operates the network, contracts with service providers
- If RCRC's Golden State Connect Authority owns the network: City provides bond financing, supplement with grants, GSCA constructs, operates and manages service providers

1. Municipal-owned and operated utility – Businesses and Residences

- City builds, owns, operates and provides services, additional capital includes additional staffing and covering losses in first years

1. Public-Private Partnerships: Potentially share in the Capital Costs

- Share in capital costs, operational and implementation risk, target grant funding

Pros/Cons	Open Access Middle Mile, Lease Fiber	City Builds Open Access Last	RCRC Builds Open Access Last Mile	City as an ISP	PPP
Build the Fiber Infrastructure Once	P	P	P	P	P
Increase Competition	P	P	P	P	P
New Revenue Source for the City	Yes	Yes, but doesn't break even until year 4-5	No	Yes, but doesn't break even until year 4-5	Maybe, depending upon PPP structure
Lower Prices	Doesn't gurantee FTTP build out	No direct control over prices	No, $30/mo fee	P	P
Connect Govt and Stakeholder Locations	P	P	Perhaps, with Capital or Grant Funding	P	Perhaps, with Capital or Grant Funding
Private sector offers service to end users	Doesn't gurantee FTTP build out	P	P	Higher Operational Risk	P
Ubiquitous Coverage	Doesn't gurantee FTTP build out	P	P	P	P
Less Construction Risk	P	Higher Construction Risk	P	Higher Construction Risk	P
Less Operating Risk	P	Somewhat, but City still needs to Operate	P	Higher Operational Risk	P
Less Capital Cost Risk/Debt Risk	P	If secure grant funding	If secure grant funding	If secure grant funding	P

Open Access in the Last Mile

Pros

- Build the Fiber Infrastructure Once
- Many providers offer service
- Increase Competition
- Lower Prices
- Control Network Implementation, Ubiquitous Coverage
- Leverage Local Government Funding
- RCRC's Golden State Connect Authority could assume construction and operation risk
- RCRC's Golden State Connect Authority could potentially assume bond/debt risk

Cons

- Financial model needs to support debt coverage, it does, with the monthly utility fee and take rates of 45%
- Larger providers (AT&T, Comcast or Charter) typically will not participate
- Risk is these companies overbuild the Open Access Network
  - Is this likely?
- Secure good ISPs to offer excellent, affordable service
- Marketing this can be confusing to end users
- RCRC's Golden State Connect Authority has an ambitious plan for 38 counties; timing may be an issue and effective execution could be a risk
- $30/month utility fee in addition to monthly service fee

City Becomes an ISP

Pros

- Most control, most reward
- With local government participation in funding, control network implementation and ubiquitous coverage
- Lower Prices
- City implements, constructs and manages the network build, provides customer service, trouble resolution, etc.
- Local government involvement typically drives higher take rates

Cons

- Less competition
- City assumes construction and operation risk
- City assumes take rate and debt coverage risk
- Difficult to make this model financially feasible without grant funding. Must secure 45% take rate or increase prices to ensure viability of the business model
- Highest risk

Public Private Partnership

Pros

- Potentially lower capital risk/debt risk
- With local government participation in funding, the City may control network implementation and ubiquitous coverage
- Lower Prices
- Private sector implements, manages the network construction, customer service, trouble resolution, etc.
- Local government involvement typically drives higher take rates
- Private sector will sometimes carry any shortfall on debt coverage

Cons

- Larger providers (AT&T, Comcast or Charter) typically will not participate
- Most likely to choose one company as a partner
- Less competition
- Secure good ISPs to offer excellent, affordable service

Revenue Model	Open Access Middle Mile, Lease Fiber	Open Access Last Mile, 35% Take Rate	Open Access Last Mile, 45% Take Rate	City as an ISP, 35% Take Rate	City as an ISP, 45% Take Rate	PPP
Fee per home passed	NA	NA	NA	NA	NA	$6
Fee per home or business taking service	$500 - $2500/month	NA	NA	NA	NA	$17
Residential						
100/100 Mbps - 42%	-	$23	$23	$60	$60	$60
250/250 Mbps - 32%		$23	$23	$80	$80	$80
1000/1000 Mbps or 1 Gbps - 25%	-	$27	$27	$90	$90	$90
10 Gbps - 1%	-	$100	$100	$300	$300	$300
Monthly Utility Fee - 100% with RCRC	-	$30	$30	NA	NA	NA
Pricing to End User	-	ISP marks up	ISP marks up	See above	See above	See above
Business/Commercial						
250/250 Mbps - 28%	NA	$33	$33	$70	$70	$70
500/500 Mbps - 34%	NA	$33	$33	$250	$250	$250
1000/1000 Mbps or 1 Gbps - 35%	NA	$50	$50	$400	$400	$400
10 Gbps - 2%	NA	$100	$100	$2,500	$2,500	$2,500
Monthly Utility Fee - 100% with RCRC	NA	$30 or more	$30 or more	NA	NA	NA
Pricing to End User	NA	ISP marks up	ISP marks up	See above	See above	See above

Operating Model	Open Access Middle Mile, Lease Fiber	Open Access Last Mile, 35% Take Rate	Open Access Last Mile, 45% Take Rate	City as an ISP, 35% Take Rate	City as an ISP, 45% Take Rate	PPP
Who Builds the Network	City	City or RCRC	City or RCRC	City	City	ISP or City
Who Operates the Network	City	City or RCRC	City or RCRC	City	City	ISP or City
Who Provides Internet Service	ISPs	ISPs	ISPs	City	City	ISP
Who Provides Customer Service, Billing, Trouble Resolution	ISP	ISPs	ISPs	City	City	ISP

Financial Implications without Grant Funding	Open Access Last Mile, 35% Take Rate	Open Access Last Mile, 45% Take Rate	City as an ISP, 35% Take Rate	City as an ISP, 45% Take Rate	PPP, City owns and maintains the network	PPP, City Owns, ISP Maintains the Network
Projected Capital Costs	$29.3 Million in Capital Costs + $1.8 Million in Operating Losses	$29.3 Million in Capital Costs + $1.5 Million in Operating Losses	$29.3 Million in Capital Costs + $2 Million in Operating Losses	$29.3 Million in Capital Costs + $1.8 Million in Operating Losses	$19.6 Million + $1.2 Million in Operating Losses	$19.6 Million + $383k in Operating Losses
# of Years to Break Even	4	3	4	3	4	3
Annual Revenue, Year 5	$2.2 Million	$2.95 Million	$3.8 Million	$4.9 Million	$1.145 Million	$1.145 Million
EBITDA, Year 5 (Before Principal and Interest Payments)	$882k	$1.58 Million	$1.8 Million	$2.9 Million	$398k	$1.095 Million
Annual Profit/Loss, Year 5 (After Principal and Interest Payments)	705k	$1.4 Million	$1.6 Million	$2.73 M	$279k	$976k
Debt Coverage Ratio, Greater than 200% on all tranches	Year 5	Year 3	Year 5	Year 3	Year 5	Year 3
Additional Payments to Principal?	$1 Million in years 6-10	$1 Million in year 5, $2 Million in years 6-10	No	$1 Million in years 9-10	No	$500k in years 5-10
Cummulative Profit, Year 10	$3.18 Million	$8.4 Million	$9.47 Million	$18.13 Million	$620k	$7.11 Million
Debt Balance, Year 10	$28.6 Million	$27.5 Million	$23.6 Million	$18.5 Million	$20 Million	$16 Million
Feasible?	No	Not really, high debt risk	Not really, high debt risk	Yes	Not really, high debt risk	Yes





Conclusion, Financial Implications without Grant Funding

If the City prefers less construction and operational risk, then the Open Access Model with RCRC and/or the PPP Model with the ISP owning and maintaining the network are the best options.

The RCRC revenue model should be reviewed carefully as take rates of 45% are required in order for the model to be feasible.

The City could seek grant funding in either or all models to lower risk factors. 30% is most likely required for the match contribution

Key grant programs:

- Capital Projects Fund - $540 Million for the State of California
- BEAD Program - $45 Billion, divided amongst States based upon plan and needs

Financial Implications WITH Grant Funding, 30% Match	Open Access Last Mile, 35% Take Rate	Open Access Last Mile, 45% Take Rate	City as an ISP, 35% Take Rate	City as an ISP, 45% Take Rate	PPP, City owns and maintains the network	PPP, City Owns, ISP Maintains the Network
Projected Capital Costs	$8.79 Million in Capital Costs + $1.6 Million in Operating Losses	$8.79 Million in Capital Costs + $1.5 Million in Operating Losses	$8.79 Million in Capital Costs + $2 Million in Operating Losses	$8.79 Million in Capital Costs + $1.8 Million in Operating Losses	$8.79 Million in Capital Costs + $1 Million in Operating Losses	$8.79 Million in Capital Costs + $200k in Operating Losses
# of Years to Break Even	4	3	4	3	4	3
Annual Revenue, Year 5	$2.2 Million	$2.95 Million	$3.8 Million	$4.9 Million	$1.145 Million	$1.145 Million
EBITDA, Year 5 (Before Principal and Interest Payments)	$882k	$1.58 Million	$1.8 Million	$2.9 Million	$398k	$1.095 Million
Annual Profit/Loss, Year 5 (After Principal and Interest Payments)	$829k	$1.53 Million	1.744 Million	$2.863 Million	$344k	$1.041 Million
Debt Coverage Ratio, Greater than 200% on all tranches	Year 4	Year 3	Year 3	Year 3	Year 4	Year 3
Additional Payments to Principal?	No	$750k in years 5-10	$1M in years 9-10	$1.5 Million in years 6-10	No	$500k in years 4-10
Cummulative Profit, Year 10	$3.18 Million	$8.4 Million	$9.47 Million	$18.13 Million	$620k	$7.11 Million
Debt Balance, Year 10	$8.592 Million	$4.96 Million	$3.59 Million	$1.963 Million	$9.463 Million	$5.092 Million
Feasible?	No	Yes	Yes	Yes	No	Yes






Another option to explore, City facilitates the grant application and asks the ISP to pay the 30% match. This would allow the City to establish a PPP with no capital contribution from the City.

Conclusion and Next Steps

- Unprecedented time with access to grant funding
- Models of Open Access (45% take rate), City as an ISP (35% or 45% take rates) and PPP models with the ISP maintaining the network are all feasible
- Considerations should include City's appetite, execution risk (construction and operations) as well as debt or capital risk
- Possibility to build fiber to government facilities, stakeholders and apps in partnership with STPUD and the ISP/RCRC partnerships and secure PPP for FTTP
- Feedback and questions

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 17

Agenda Item: Final Report on the Comprehensive Transit Analysis of Current Mobility Services in the South Shore by Via Mobility, LLC

Executive Summary: Representatives of Via Mobility, LLC will present the final report with findings of the Comprehensive Transit Analysis of Current Mobility Services in the South Shore. The final report is based on an assessment of the Tahoe Transportation District's current service and existing service gaps, a public transit survey, City Council visioning session, stakeholder focus groups, peer review and industry best practices, propriety software transportation network modeling, and recommendations for governance and funding options.

Requested Action / Suggested Motions: Receive Final Report and provide direction to staff on next steps.
Responsible Staff Member: Lindsey Baker, Assistant to the City Manager

Responsible Staff Member: Joe Irvin, City Manager and Lindsey Baker, Assistant to the City Manager/Public Information Officer

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

Staff Report Via Final Report to City Council.docx
02-Via Mobility Final Report.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Final Report on the Comprehensive Transit Analysis of Current Mobility Services in the South Shore by Via Mobility, LLC.

Location: Citywide

Responsible Staff Member: Joe Irvin, City Manager and Lindsey Baker, Assistant to the City Manager/Public Information Officer (530) 542-6093

Background: City staff originally presented to City Council the scope of work for a Comprehensive Transit Analysis of Current Mobility Services in the South Shore on September 21, 2021. The City released RFP 2021-12-10 on November 12, 2021 with the City Council authorizing an agreement with Via Mobility, LLC on February 1, 2022. On June 21, representatives from Via Mobility facilitated a workshop with the City Council to fully assess the governing body's vision for mobility in South Lake Tahoe and connectivity to the surrounding region as part of Task 3.3 (as listed below). In addition to seeking Council's vision, the workshop discussion included a presentation by Via on the Analysis of Current Service and Identification of Service Gaps report, as well as an overview of the stakeholder focus group meetings and the transit peer review. Following the City Council visioning exercise, Via continued their work on the remaining tasks, taking the inputs from Tasks 2 and 3 to develop recommendations to improve the transportation network (Tasks 4 and 5), comprising the final report and deliverable from Via.

In anticipation of the City Council presentation of a final report, Via provided a brief overview of preliminary findings to the South Shore Transportation Management Association (SSTMA) Microtransit Subcommittee, which included attendees from the Tahoe Transportation District, on September 16. Staff felt it was important to ensure the key transportation providers in the area had a base understanding of initial recommendations to avoid any potential of non-viable solutions moving forward.

Via will present a final report of findings to the City Council at the October 4 meeting (Exhibit 02 - Via Mobility Final Report).

Issue and Discussion:

Via's proposal includes five tasks to achieve the SOW objectives:

- Task 1: Project Management
  - 1.1: Kickoff Meeting
  - 1.2: Establish Goals and Objectives
  - 1.3: Quality Assurance
- Task 2: Assessment of TTD's Current Service and Existing Service Gaps

2.1: Demographic Analysis
2.2: Analysis of Current Service and Identification of Service Gaps

Task 3: Facilitate the City Council's Vision for Transit
3.1: Peer Review and Industry Best Practices
3.2: Focus Groups with Regional Stakeholders
3.3: City Council Workshop

Task 4: Recommendations to Improve the Transportation Network
4.1: Fixed-Route Service Design
4.2: Microtransit Service Design and Simulations
4.3: Alternative Service Delivery Models for ADA Paratransit
4.4: Fleet Electrification

Task 5: Feasibility of the City Assuming Transit Services
5.1: Implementation Roadmap
5.2: Funding

The final deliverable is a report, which summarizes "the recommended improvements, costs, benefits and impacts of each, and recommendations for any subsequent supplemental studies/actions." It will include immediate (6-18 mos) and intermediate (2-5 yrs) service needs recommendations.

Staff Recommendation: Receive Final Report and provide direction to staff on next steps.

Financial Implications: The fiscal year 2021-2022 budget contains $50,000 in appropriations for the transit analysis within the Non-Departmental budget account 100-01951-44032 Contributions / Sponsorships. Should City Council direct staff to implement any of the report findings, future costs associated with report recommendations will be presented to the City Council as separate items for consideration.

Environmental Considerations: The proposed transit analysis is statutorily exempt from review under the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15262 (Feasibility and Planning Studies) because it involves possible future actions which the City has not approved, adopted, or funded.

Policy Implications: This transit study advances Goal 1.4 (Transportation) in the 2021-2025 Strategic Plan, by addressing Action Item 5: Evaluate the feasibility with regional partners to establish a new transit service delivery model via revised agreement, new agency, or Joint Powers Authority to better serve South Lake Tahoe.

Comprehensive Transit Analysis of Current Mobility Services in the South Shore

City of South Lake Tahoe

Final Report

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2 Executive Summary

The City of South Lake Tahoe ("the City") has carried out this comprehensive transit analysis to develop a multimodal mobility vision for the South Shore. The City has a tourism-based economy that experiences substantial fluctuations in population and activity during weekends and seasonal peaks. It is currently served by the fixed-route bus network operated and managed by the Tahoe Transportation District (TTD), a unique bi-state regional transportation agency that manages multimodal transportation projects and operations throughout the Tahoe Basin. Fixed-route transit in South Lake Tahoe currently faces several challenges that limit its utility for residents, workers, and visitors: limited frequency and coverage of Routes 50 and 55, limited hours of operation, and limited access to some key destinations. In July 2022, the South Shore Transportation Management Association (SSTMA) launched the Lake Link microtransit service in the northeastern corner of the city, which has shown significant promise, with high growing levels of ridership and utilization. . With this study, the City aims to better address the transportation needs of the community and ensure that residents, workers, and visitors have access to frequent, convenient, and affordable transit service.

This study evaluates the City's socioeconomic and demographic conditions with respect to transit needs, and it identifies gaps and challenges faced by TTD's existing fixed-route service. The project team conducted extensive community outreach to ensure the study is responsive to the city's needs, a process which included stakeholder focus groups, a visioning workshop hosted by theCity Council, and a resident survey questionnaire. The study includes best practices and findings from peer transit agencies, with similar characteristics to South Lake Tahoe, that have addressed similar transportation needs and challenges. A series of fixed-route and microtransit service alternatives are evaluated in the study, which aim to expand service frequency and coverage throughout South Lake Tahoe, as well as access to key destinations in nearby areas of the Tahoe Basin. These recommended alternatives are informed by Via Strategies' proprietary software and simulation tools as well as Via's operational experience in areas with similar service characteristics. Following these recommendations is an implementation plan, which details alternative governance models to guide transit management and operations in South Lake Tahoe. The implementation plan also includes alternative federal, state, regional, and local funding sources as well as guides to microtransit fleet electrification and the feasibility of commingling with TTD's Complimentary ADA paratransit service.

The report is organized as follows:

Section 4 Market Analysis

This section is a comprehensive review of the socioeconomic and demographic conditions of South Lake Tahoe as they pertain to the need for public transportation. The analysis evaluates the spatial distribution of key activity centers likely to generate and attract travel demand, population and employment density as well as demographic groups more likely to use public transportation in South Lake Tahoe. These demographic groups include youth, older adults, lower-income households, residents living in poverty, people of color, people living with a disability, car-free households, and current public transit commuters. This section includes a transit propensity

analysis for South Lake Tahoe, which assesses the local demographic composition of the city's neighborhoods at the Census Block Group level (e.g. race, zero-vehicle households, income, etc), to determine the distribution of demand for public transit relative to the citywide average mode share (3.2%, according to the 2020 Census ACS).

Key Findings:

- Population and jobs are concentrated in Tahoe Valley, Al Tahoe, Bijou Park, as well as near the Stateline, NV border. Relative to citywide averages, these areas also have higher concentrations of low-income people, youth, people of color, seniors, and people living in poverty.
- Transit propensity analysis results show that areas with high transit propensity typically feature higher job and population densities. The communities of Tahoe Valley, Tahoe Sierra, Al Tahoe and Bijou Park are more likely than the average South Lake Tahoe to commute by public transit.
- While many points of interest are within a quarter-mile radius of Routes 50 and 55, the two main lines that run through South Lake Tahoe, there remain several areas with higher propensity to use transit that are located beyond this threshold. These areas include City Hall, Lake Tahoe Airport, and the neighborhoods of Al Tahoe, Central Tahoe, Tahoe Keys, Tahoe Sierra, and Tallac Village. .

Section 5 System Analysis

This section is a comprehensive review of the public transit services currently operating in South Lake, including Tahoe Transportation District's (TTD) fixed-route and Complimentary ADAparatransit services as well as the Lake Link microtransit, managed by the South Shore Transportation Management Association (SSTMA). This section provides an analysis of fixed route ridership, service hours and frequency, monthly ridership, and vehicle revenue hours from July 2019 to March 2022 using data provided by TTD, as well as an analysis of transit's competitiveness with driving with respect to travel times. Additionally, it examines ADA paratransit travel patterns and provides an assessment of the current SSTMA microtransit pilot.

Key Findings

- TTD's Routes 50 and 55 carry approximately 88% of the agency's fixed-route passenger trips, and are the most productive routes in terms of utilization (passengers per vehicle revenue hour) compared with its other commuter-oriented Routes, 19X and 22 on the Nevada side of Tahoe Basin.
- While both Routes 50 and 55 carry the majority of riders in the region, they still remain relatively uncompetitive with driving, with Route 55 being the least competitive, due to its low (hourly) frequency and limited service hours.
- The SSTMA's Lake Link microtransit pilot has been highly successful in July and August 2022, with higher-than-expected ridership and utilization.

Sections 6 (Rider Experience) and 7 (Fixed Asset Management)

This section examines critical aspects of the transit system from the rider's perspective, such as convenience, connectivity, walkability, ease of use, accessibility, passenger facilities, perception and affordability.

Key Findings

- Access to key destinations in South Lake Tahoe is far from ubiquitous. Less than 50% of the population can access key points of interest within 30 minutes via public transit. Meanwhile, only a few points of interest (e.g. South Y and Barton Hospital) are accessible within 60 minutes by all South Lake Tahoe residents.
- Pedestrian infrastructure and bus shelter amenities are lacking along Route 55, particularly segments east of LTCC. High vehicle traffic and speeds along US-50 also pose pedestrian safety risks for passengers along Route 50.
- On-time performance is low for Route 50, which serves more than 50% of TTD's total passenger trips, with 73% of trips arriving on-time. On-time performance is 90.1% for Route 55.[1] Route 50's low on-time performance rate may discourage some potential ridership.
- Survey respondents in the TTD Short-Range Transit Plan Customer Satisfaction Survey (2016) have generally positive views of their experience on TTD. The top three service features that passengers would like to see improved are increased frequency, better on-time performance, and real-time vehicle location displayed in travel planning apps such as Google Maps and Transit App.
- TTD's current maintenance facility, which is owned by the City and leased to TTD, is over capacity. TTD is exploring a new facility in Zephyr Cove, which would enable larger fleet storage capacity and the ability to install additional electric vehicle charging stations.

Section 8 Public Outreach

This section details the extensive community and stakeholder outreach conducted by the Via Strategies team to gather input for this Study. The goal of the public outreach process was to better understand the city's transportation challenges and to inform the study's recommendations. It includes the insights gained from four stakeholder focus groups, a transit visioning workshop hosted by the City Council in June 2022, and an online public survey that generated 850 responses.
Key Findings:

- Stakeholders' primary concerns with transit in South Lake Tahoe include the limited frequency of service, limited service hours, and the inaccessibility of many bus stops, particularly in winter months. They also highlighted the importance of regional interconnectivity, and multimodal connectivity. TRPA and TTD staff noted the constraints of the service, including limited local funding contributions to sustain the service and capacity issues at TTD's current maintenance facility.
- During the transit visioning workshop, City Council members raised the concern that current TTD service is not sufficiently frequent, reliable, or accessible for many residents, workers, and visitors in South Lake Tahoe. Councilmembers largely agreed on the need to discourage driving through public transit investment, though they were divided on the

[1] TTD Board Agenda Packet, January 31, 2020, pg. 29.

question of prioritizing residents, workers, or tourists in the network's design. Likewise, there was discussion of several potential alternative governance approaches for public transit in the city.

- Compared to current demographics of South Lake Tahoe residents, survey respondents were overwhelmingly non-Hispanic white, and wealthier than the citywide median; a significant share of respondents reported household incomes of over $100,000.
- Within the survey responses, there is a correlation between household income and the frequency of transit ridership: respondents with lower incomes reported using public transportation more frequently, on average, than those with higher incomes. Those who have high household incomes and indicated that they take public transportation, by and large, only do so rarely (less than once a week) and are more likely to own cars, indicating that they are "choice" riders who do not depend on the service to get around.
- The most popular mode of travel in South Lake Tahoe is by personal vehicle, with 92% of respondents stating it is their primary transportation option compared to 6% who rely upon public transit. However, residents who ride transit reported that minimizing their environmental impact and avoiding parking constraints were two key factors motivating them to use transit. Biking and walking are also popular non-motorized modes of travel, used by about one-third of residents. .
- Riders would like to see more places served by public transit, in particular the community of Meyers and recreational destinations like Emerald Bay and Zephyr Cove.

Section 9 Peer Agency Review

This section summarizes the review that Via Strategies conducted of five peer agencies that both serve communities similar to South Lake Tahoe and face similar transportation challenges. The project team identified Park City Transit, Transit Joint Powers Authority for Merced County, Central Yavapai Metropolitan Planning Organization, Truckee Tahoe Area Regional Transit (TART), and Steamboat Springs Transit as peer agencies based on the demographic and spatial characteristics of the regions they serve. Peer transit agencies primarily serve rural regions with tourism-oriented economies that experience seasonal population changes. The peer transit agencies selected also represent a range of approaches to governance, funding sources, and service design. Most of the peer agencies selected have recently introduced microtransit to their networks. Via Strategies interviewed transit agency staff with a focus on questions of key concern to this study, including the agency's transit service design (or proposed transit service design), fleet electrification (or plans to electrify), governance structure, and funding sources.

Key Findings:

- Agencies that implemented microtransit have seen high productivity and ridership, as well as better coverage in lower-density, residential areas that were hard to serve with fixed-route buses in the past. As a result of microtransit, some agencies have adjusted or replaced less productive fixed-route service, while others have introduced commingling with ADA paratransit to conserve operating resources. However, most peer agencies also face challenges related to driver staffing, as well as limited funding, both problems that affect the ability to expand microtransit service areas.

- Municipal transit agencies are better able to focus on municipal needs and could work better for resort-oriented service or other, locally oriented travel patterns. Regional integration may provide better governance for solving regional transportation issues, such as workforce transportation between resort areas and affordable housing communities, particularly when these trips cross multiple jurisdictions.
- Peer agencies use mostly conventional sources of transit operations & capital funding to support transit operations (e.g. FTA formula funds and State operating assistance), with additional funding from competitive grants.
- Peer agencies have also found a range of suitable local funding sources to supplement State and federal funding, such as local property taxes, HOA fees, local sales and hotel taxes, and county sales tax measures.

Section 10 Transit Alternatives

This section details several fixed-route and microtransit alternatives that would improve the transit system's coverage, ridership, and access to local destinations in South Lake Tahoe. We propose the following alternatives:

- Expand the current microtransit pilot to either encompass the remainder of the city of South Lake Tahoe, or alternatively, consider a larger expansion encompassing South Lake Tahoe as well as the neighboring community of Meyers.
- Pair either of these expansions with commingling, or consolidation, of TTD's Complimentary ADA paratransit service with microtransit.
- Shift one vehicle from Route 55 (Neighborhood Connection) to Route 50 (South Shore Daily) to increase service frequency on Route 50 to 20 minutes throughout the day. This change requires truncating Route 55 so that it operates only between Kingsbury Transit Center and LTCC.
- Extend the evening hours of operation of fixed-route services to 9pm to match the Lake Link service window.
- Begin operating fixed-route service between South Y Transit Center and Meyers.
- Consider operating seasonal service to key recreational destinations at Kiva Beach and Zephyr Cove.

Section 11 Implementation Plan

This section outlines steps the City can take to implement the service changes and recommendations described in Section 10. It includes a chapter on four different approaches to transit governance that the region could take to implement an expanded local transit network. The following chart summarizes the different governance structures that could be pursued to implement transit. **We recommend an intergovernmental agreement as the most suitable approach for South Lake Tahoe**: it leverages the strengths of TTD's existing operations and administrative capacity as well as leaving sufficient flexibility for the City of South Lake Tahoe to secure additional, local transit service in exchange for negotiated local matching contributions. Additionally, this approach avoids the administrative requirements of creating a new transit agency (either municipal or as a JPA) that will ultimately need to become an eligible sub-recipient for FTA funding.

Governance Structure	Description	Advantages	Disadvantages
Municipal transit system *Peer transit agency examples:* Truckee TART, CA Park City Transit, UT	• City of South Lake Tahoe works with a third-party contractor to operate transit service within its boundaries	• Local control • Potentially more frequent service within South Lake Tahoe	• City assumes greater responsibility and risk in transit operations • Administrative requirements if the City seeks to become sub-recipient of FTA funding • More difficulty in acquiring federal funds (limited local matching potential)
Joint Powers Agency *Peer transit agency examples:* Merced the Bus, CA	• City, Douglas County, and El Dorado County form separate legal entity to operate transit service in South Lake Tahoe and Meyers	• Direct, proportional representation of funders • Allows transit service across jurisdictions • Economy of scale allows better service than Meyers' tax base would support	• Limited transparency and opportunity for voter oversight • Administrative requirements if the City seeks to become sub-recipient of FTA funding
Intergovernmental agreement *Peer transit agency examples:* Summit County, UT and UTA TTD and Douglas County	• City and TTD (or El Dorado County) sign agreement to operate transit service in South Lake Tahoe and Meyers	• Easier to implement than JPA • Allows each party to more closely specify funding commitment and role in oversight • Economy of scale allows better service than SLT and Meyers' tax base would support alone	• Imbalance of resources between parties can lead to tensions
Consolidated Transportation Service Agency (CTSA) --- status quo option	• Tahoe Transportation District (TTD) continues to operate regional transit service in the Tahoe Basin	• Regional scope matches travel patterns of tourism economy (e.g. workforce transportation)	• Limited local representation and voter oversight • Less service allocated to local mobility needs

Table 1. Different governance structures.

This section also includes a summary of federal, state, local, and regional funding sources for transit capital programs and operations. It concludes by outlining a path forward for microtransit fleet electrification as well as the potential commingling of microtransit with TTD's Complimentary ADA paratransit service.

3 Introduction

3.1 Background on South Lake Tahoe

The City of South Lake Tahoe is a resort city located in eastern El Dorado County, California, at the southern end of Lake Tahoe, in the Sierra Nevada mountains. It is known for its nearby recreation areas (e.g. Emerald Bay), ski resorts (Heavenly Mountain Resort and Sierra-at-Tahoe) and popular beaches, like El Dorado Beach and Lakeside Beach. It is relatively compact, with an area of 16.6 sq. mi, and is an hour southwest of Reno, Nevada. It is home to 21,200 residents and 8,500 jobs (about 1,280 residents and 510 jobs per square mile).

South Lake Tahoe has a tourism-oriented economy that experiences substantial fluctuations in population and activity during weekends and seasonal peaks. High cost of living and the scarcity of affordable housing are significant challenges in the South Shore, particularly for the predominantly low-wage workforce that supports these industries. These challenges highlight the critical importance of a reliable, affordable and connected transportation network, so that access to a private car is not required for residents, workers, and visitors to get around.

The area is currently served by several transportation options. The fixed-route transit system, operated by Tahoe Transportation District (TTD), has varying levels of service per route. Route 50, which runs through US Hwy 50 and connects Stateline Transit Center to South Y, has moderately frequent service (30-40 minute headways), while Route 55 has operates hourly and runs through mostly residential areas east of Lake Tahoe Community College. TTD also provides a Complimentary ADA Paratransit service in South Lake Tahoe. Paratransit users can request a paratransit ride within a one-mile radius of the service corridors of Routes 50 and 55 . In July 2022, the SSTMA started operating Lake Link, a free, on-demand microtransit service that covers the eastern part of South Lake Tahoe, from roughly Al Tahoe Boulevard to the Nevada state line.

3.2 Study goals and objectives

This study has been put forth by the City of South Lake Tahoe to address the community's transportation needs and determine which model of governance is best suited to manage a comprehensive public transit network. The study has the following objectives:

- Assess the existing transportation network, with regards to certain factors such as density, connectivity, frequency, reliability, and ease of use;
- Articulate the City Council's vision for transportation and consult regional stakeholders and South Lake Tahoe residents to provide input;
- Identify a comprehensive scope of service level deployment that meets the needs of the South Lake Tahoe community that prioritizes electrification and interregional connectivity;
- Evaluate the feasibility of establishing a new transit service delivery model via Consolidated Transportation Services Agency (CTSA), interlocal agreement, new municipal transit agency, or Joint Powers Agency.

The Study then aims to determine the most suitable transit improvements suitable for the City's vision for multimodal transportation and charts forward the steps needed to get there in an Implementation Plan. The Implementation Plan addresses the following elements:

- Recommended governance structure needed to manage and deploy the future service;
- Funding sources at the federal, state, regional and local levels to fund the service;
- Transition to electrification of the microtransit fleet; and
- Steps to commingling microtransit service with ADA paratransit and non-emergency medical transportation (NEMT) service.

4 Market Analysis

This section explores the spatial distribution of factors that influence current and future transit demand in South Lake Tahoe. It includes a spatial analysis of trip generators (points of interest as well as population and job densities), demographic groups that are more likely to use transit, as well as a transit propensity index, which combines demographic characteristics into a composite score that helps to identify parts of South Lake Tahoe with the highest propensity for transit use.

Based on the market analysis, we see that there is a potential market for transit service in Tahoe Sierra, Al Tahoe, Tallac Village, parts of Tahoe Keys and Tahoe Valley. These areas have high population and job densities (relative to the overall region) and have a higher propensity to use transit.

4.1 Study Area Overview

The City of South Lake Tahoe is a resort community on Lake Tahoe, part of the Lake Tahoe Region CA-NV urbanized area. It is served by three TTD bus routes: the 22, which starts in Gardnerville, NV and ends at the Stateline Transit Center, and Routes 50 and 55, which run from Tahoe Valley (South Y) to Stateline Transit Center and Kingsbury Transit Center, respectively.

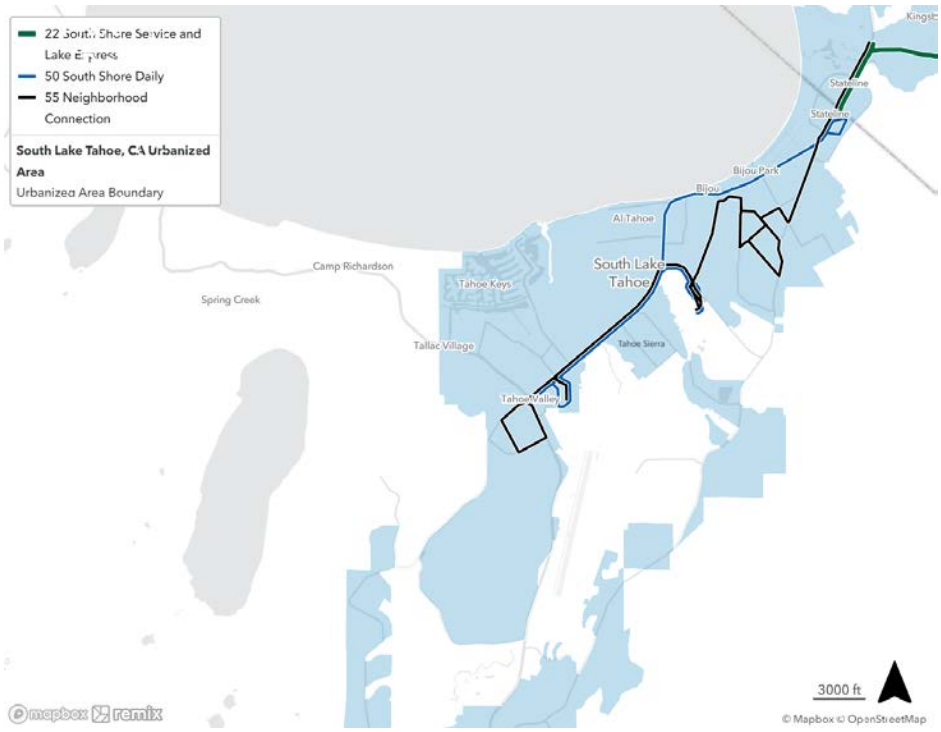


Figure 1. Map of study area and its fixed-route services.

4.2 Travel Demand

4.2.1 Activity Centers

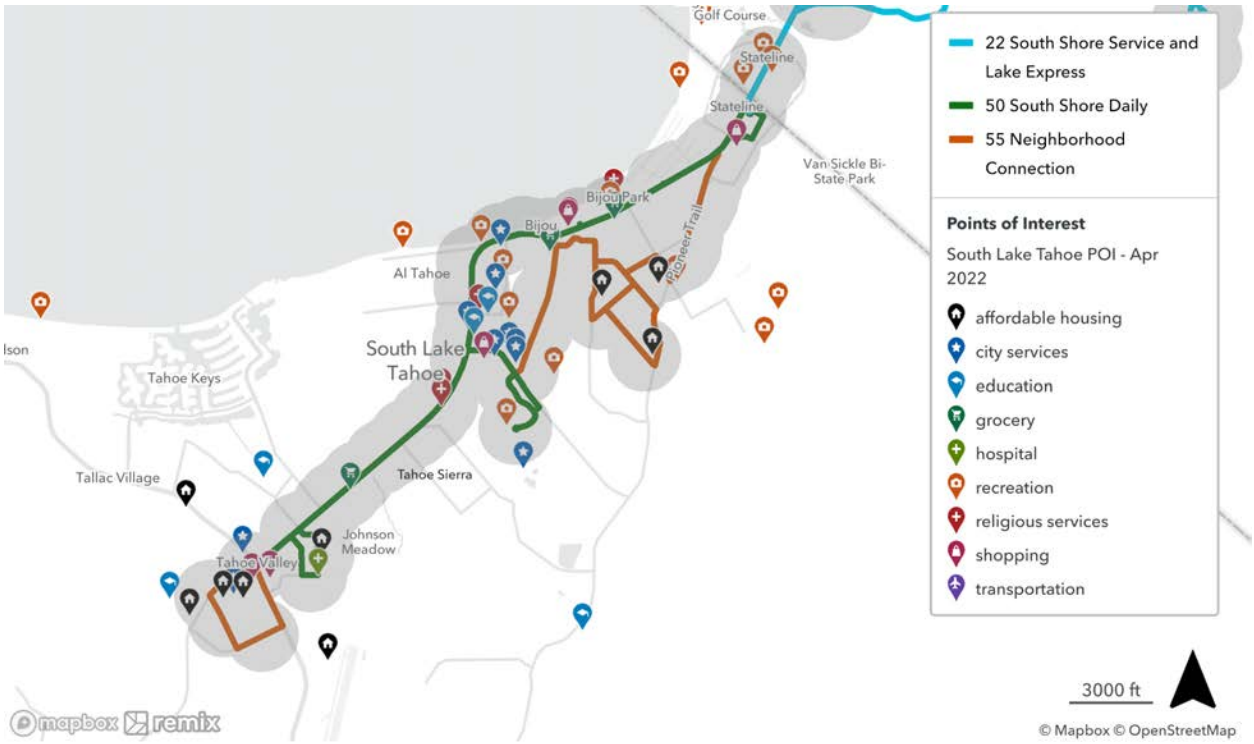


Figure 2. Area POI's with a 0.25-mile buffer around transit network

Most activity centers within South Lake Tahoe are located on Routes 50 and 55, in particular along the main corridor of Lake Tahoe Boulevard (US-50). These include schools, affordable housing complexes, shopping centers, and healthcare facilities. However, several activity centers and portions of neighborhoods fall outside the quarter-mile radius and do not have access to TTD's fixed-route bus service, including Heavenly Mountain Resort,[2] Tahoe Seasons Resort, City Hall, Lake Tahoe Airport, and the neighborhoods of Al Tahoe, Central Tahoe, Tahoe Keys, Tahoe Sierra, and Tallac Village.

4.2.2 Population density

The official population of the City of South Lake Tahoe is 22,520. This figure tends to fluctuate during peak seasons, where the population could increase to more than 100,000.[3] The below figure shows population density in the South Lake Tahoe, CA–NV Urbanized Area. Population is concentrated in Tahoe Valley, Al Tahoe, Bijou Park, and near the Stateline, NV border. These

[2] Prior to 2020, TTD operated fixed-route shuttle services to Heavenly Mountain Resort. These services are now privately operated as the "BlueGO" system of shuttles, which connect Stateline Transit Center to Heavenly Mountain Resort's Stagecoach and California Lodge bases. In 2019, there were five BlueGO routes, according to Tahoe Chamber of Commerce materials: https://tahoechamber.org/wp-content/uploads/2019/01/Getting-To-Heavenly-From-South-Lake-Tahoe.pdf

[3] RFP - City of South Lake Tahoe Comprehensive Transit Analysis.

communities are predominantly residential, while Stateline is largely a commercial area with casinos and entertainment centers.

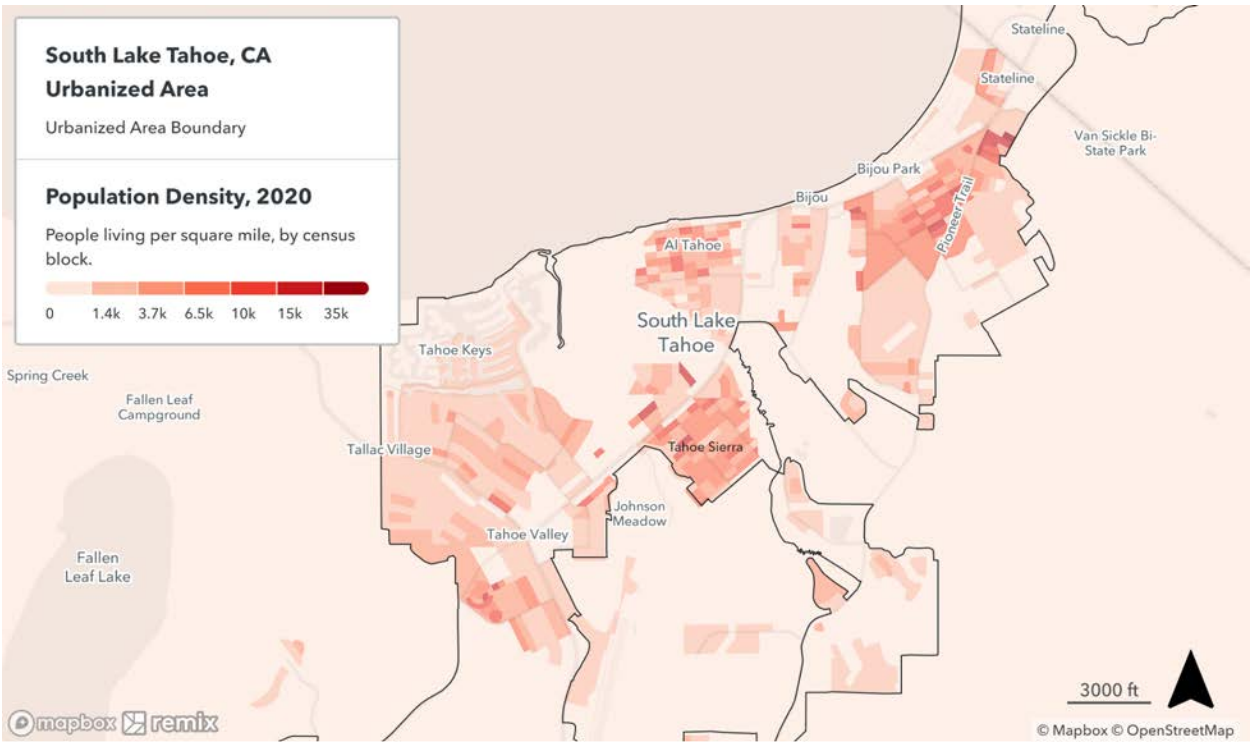


Figure 3. Population density in the urbanized area

4.2.3 Job density

Employment density is an indicator of where people may travel to for work on a regular basis. The highest concentrations of jobs in South Lake Tahoe are in the Stateline and Tahoe Valley areas. This is likely driven by the multiple casinos near the Nevada-California border and the South Y Shopping Center in Tahoe Valley.

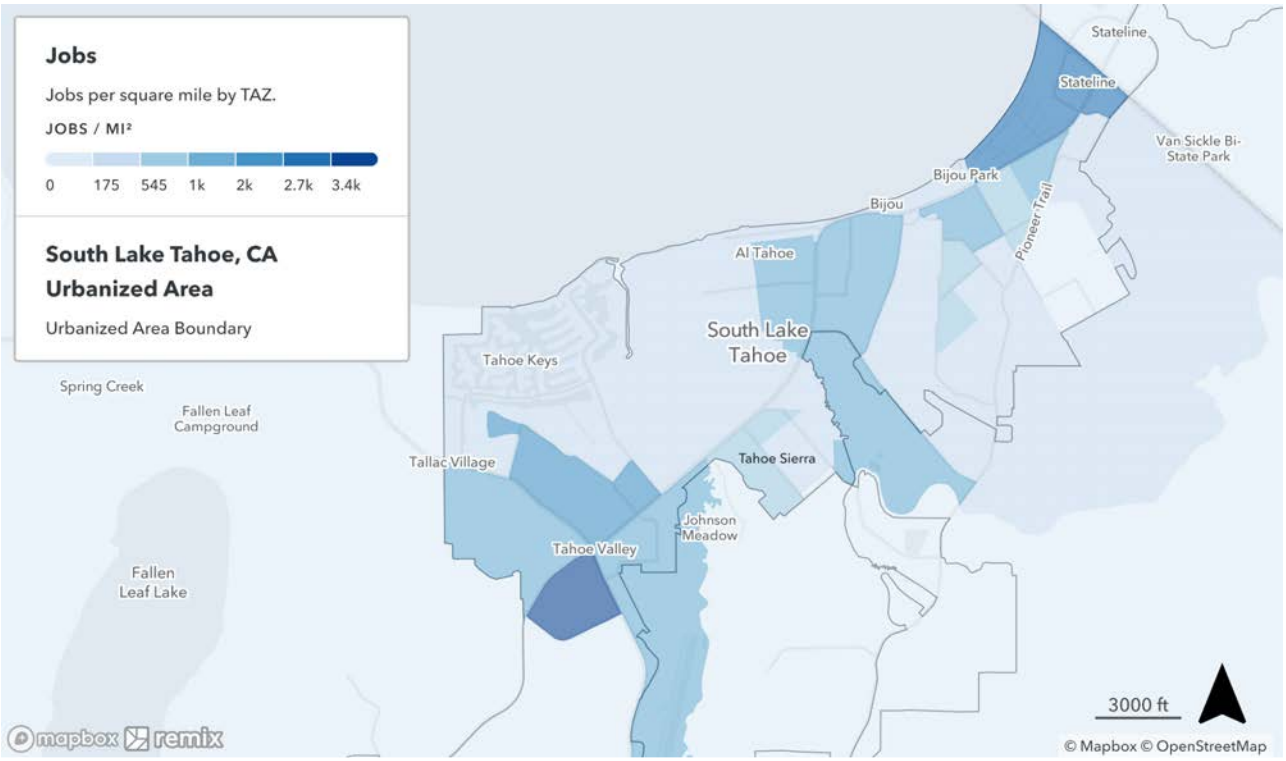


Figure 4. Jobs per square mile by TAZ.

4.3 Demographics

4.3.1 Youth population

Youth are often frequent users of public transit as many are students and do not have access to a private vehicle or may not have their driver's license. The youth population in South Lake Tahoe is most concentrated in the Bijou Park area, central South Lake Tahoe, and parts of Tahoe Valley.

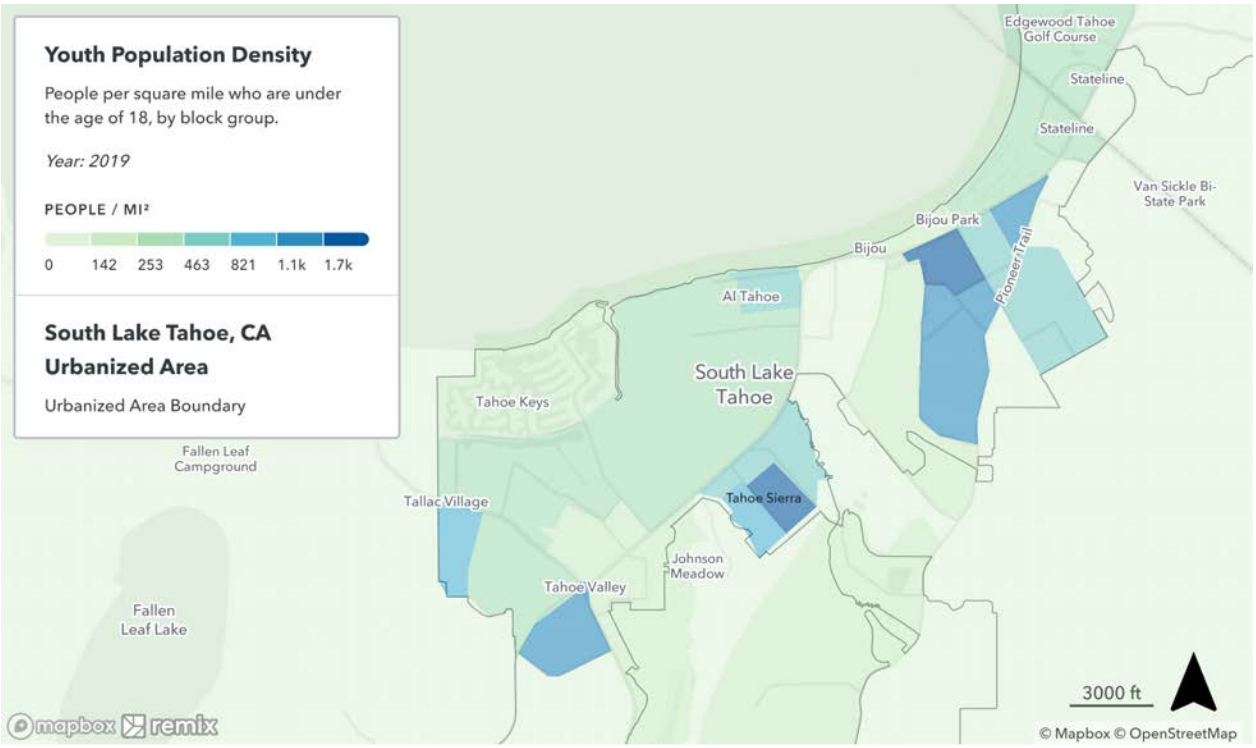


Figure 5. Youth population density

4.3.2 Senior population density

Older adults have a higher tendency to rely on public transit for many reasons, including lower incomes and lower rates of vehicle ownership and usage. Senior population is relatively dispersed across South Lake Tahoe, with a higher concentration in Tahoe Valley and central South Lake Tahoe.

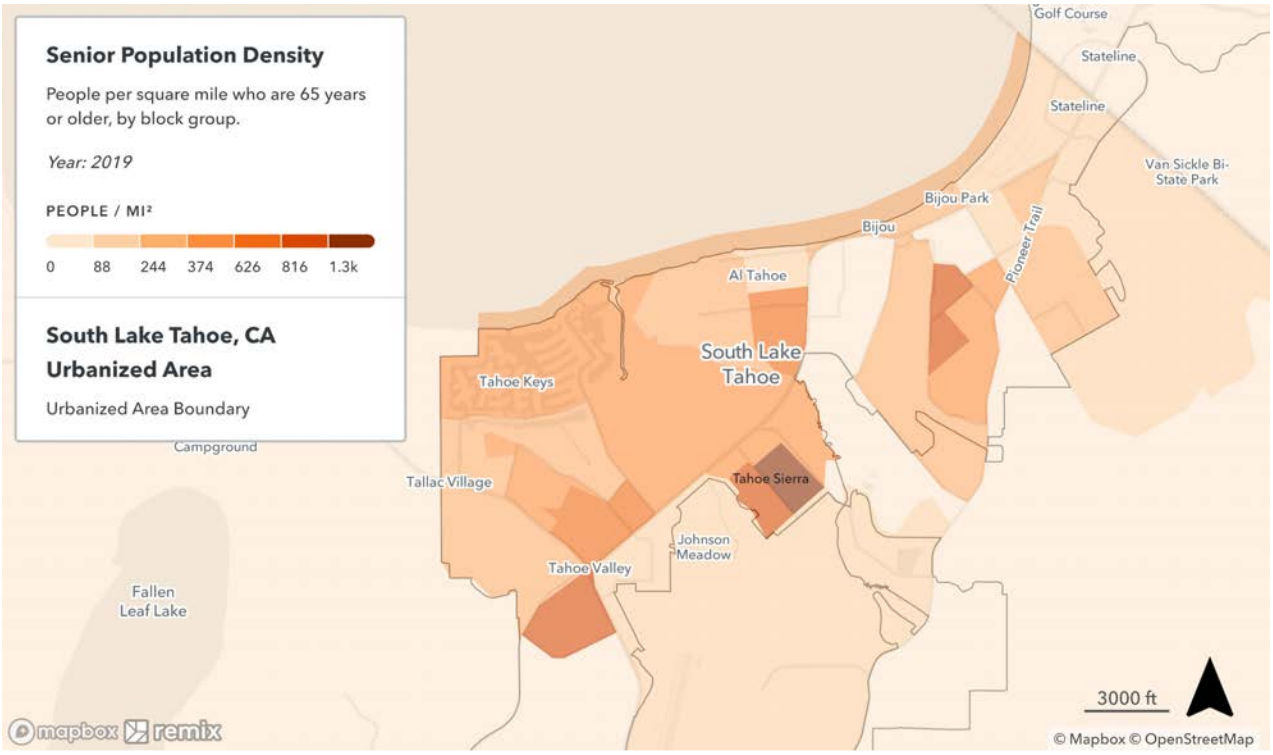


Figure 6. Senior population density

4.3.3 Median household income

Those with lower incomes tend to rely more on public transit due to its affordability and the high costs of owning and maintaining a vehicle. Median household income tends to be higher in the periphery of South Lake Tahoe, while lower median incomes are found in areas around Al Tahoe, Bijou Park and Stateline.

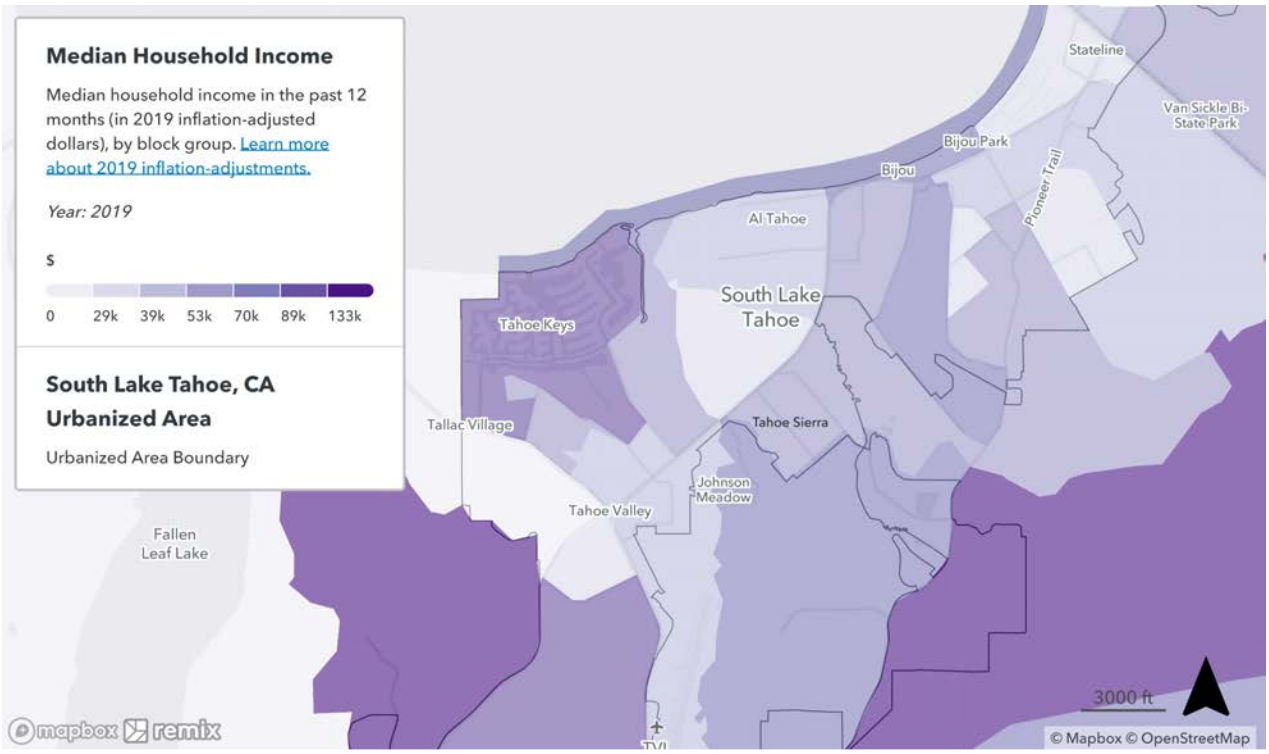


Figure 7. Median household income

4.3.4 Residents living in poverty

Most of the populated areas of South Lake Tahoe have some poverty density. The highest concentrations of residents living in poverty are in Bijou Park, parts of central South Lake Tahoe, and Tahoe Valley.

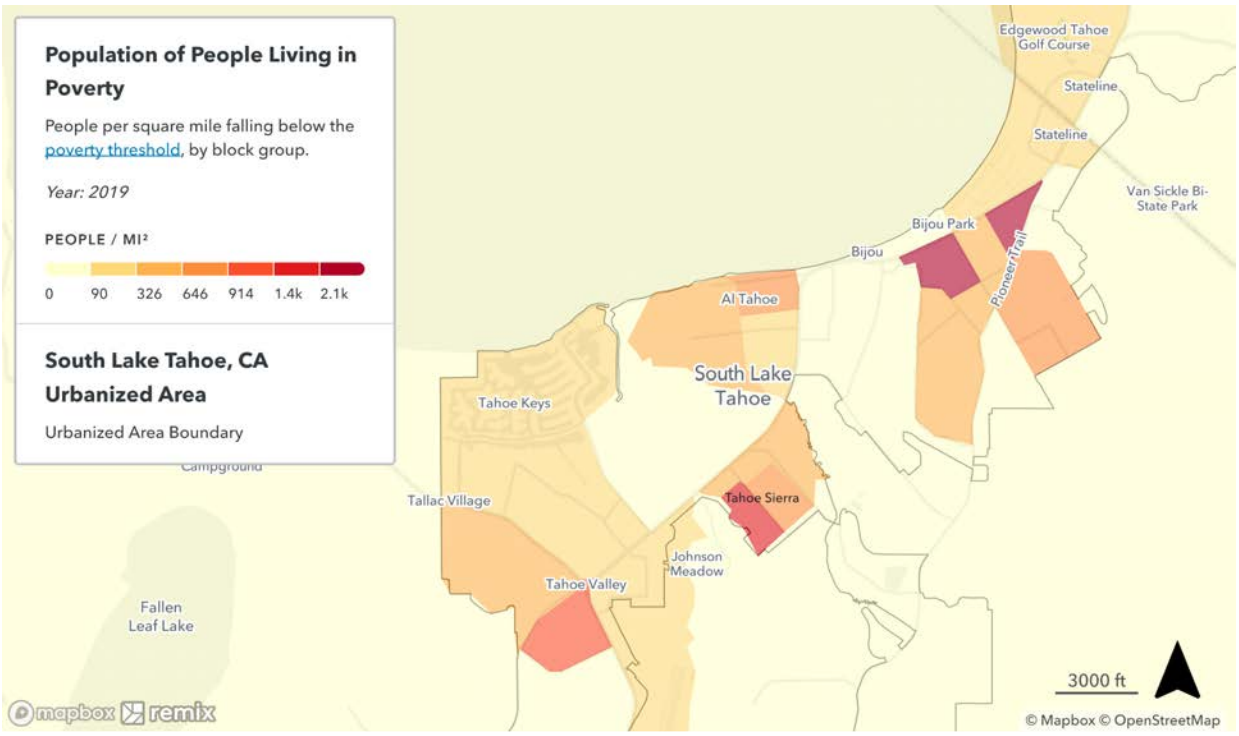


Figure 8. Population of people living in poverty

4.3.5 Minority population

Nonwhite and Hispanic/Latino communities may have a higher tendency to use public transit, as they often have lower incomes and rates of vehicle ownership than their white counterparts. In some instances, communities of color have historically faced lower rates of access to public transit. 37% of the population of the South Lake Tahoe urbanized area identifies as non-White or of Hispanic/Latino origin—significantly less than the California average. The distribution of residents of color reflects the residential distribution at-large, with a concentration in the Bijou Park area.

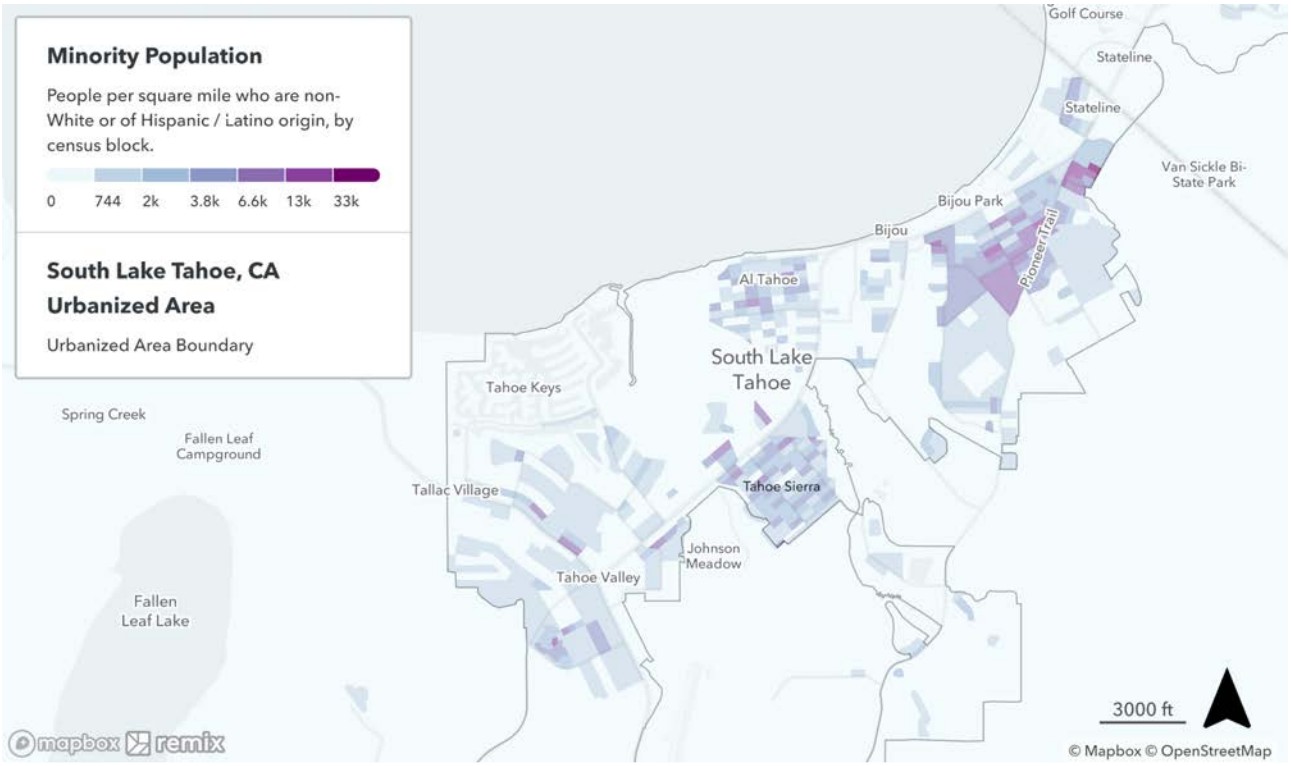


Figure 9. Minority population

4.3.6 People living with a disability

Many people with disabilities cannot drive themselves or afford a private vehicle and are more likely to rely on alternative forms of transportation, including public transit. Residents living with disabilities are also relatively dispersed throughout the region, with a higher concentration living in Tahoe Sierra.

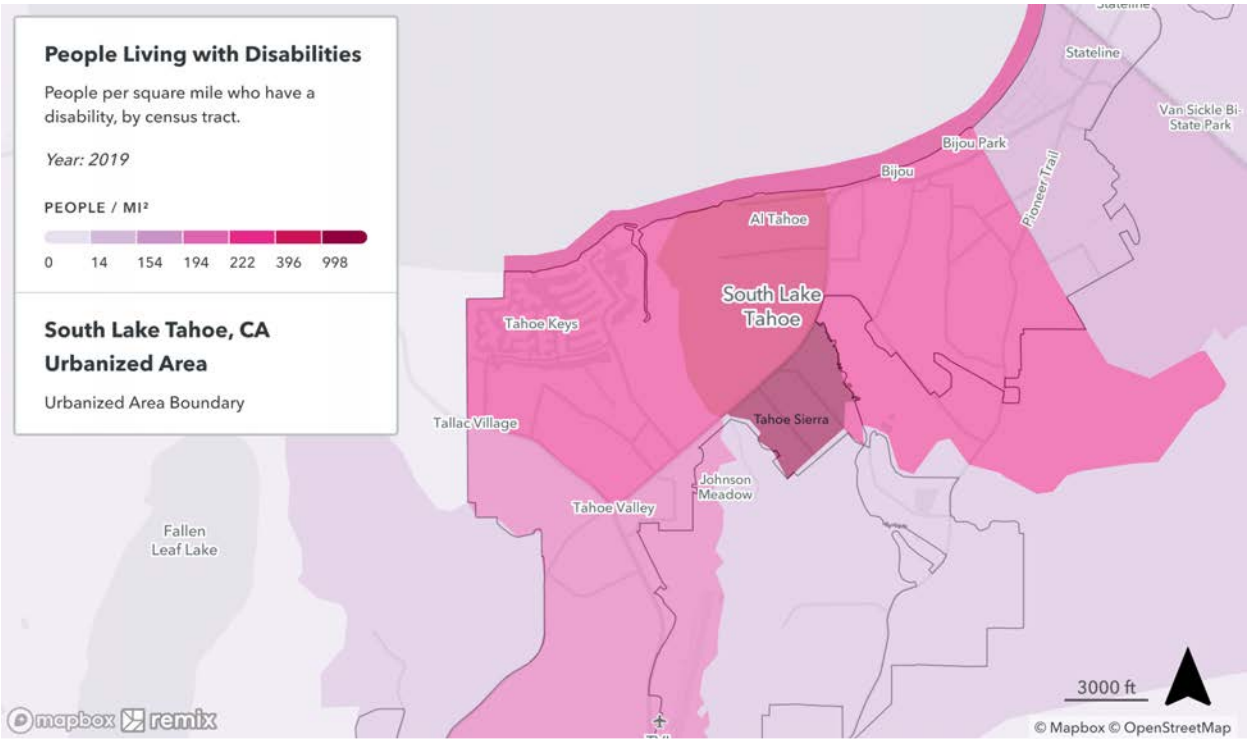


Figure 10. People living with a disability

4.3.7 Car-free households

Households without access to a private vehicle are often reliant on public transit at higher rates than the general public. If public transit is not available, these households may rely on friends/family to drive them or have to take more expensive taxis or TNCs. If neither of these options are available, they may be unable to travel at all. South Lake Tahoe has concentrations of car-free households in Bijou Park, parts of central South Lake Tahoe, and Tahoe Valley.

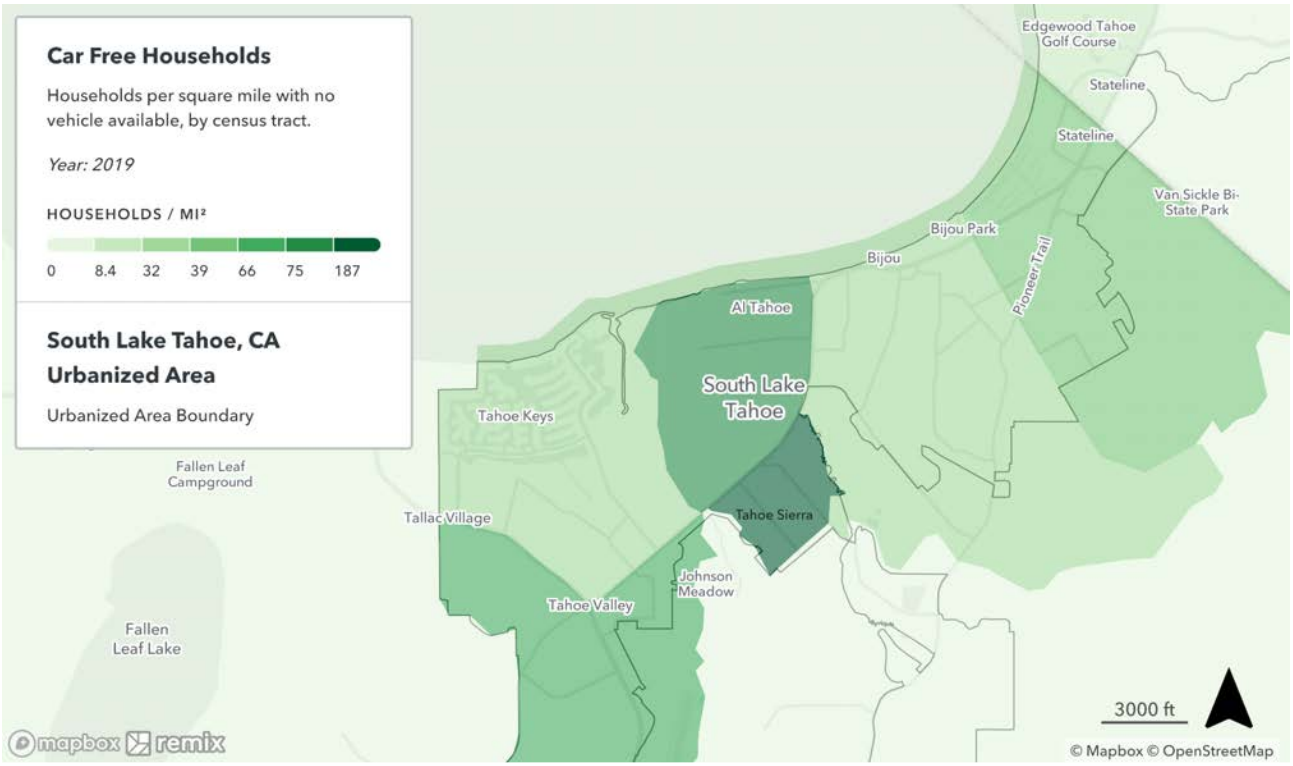


Figure 11. Car-free households.

4.3.8 Public transit commuters

Those who take public transit to work are more likely to take public transit for other purposes, such as recreation or errands. There is a high concentration of workers who take public transit to work in the Al Tahoe regions as well as parts of Bijou Park.

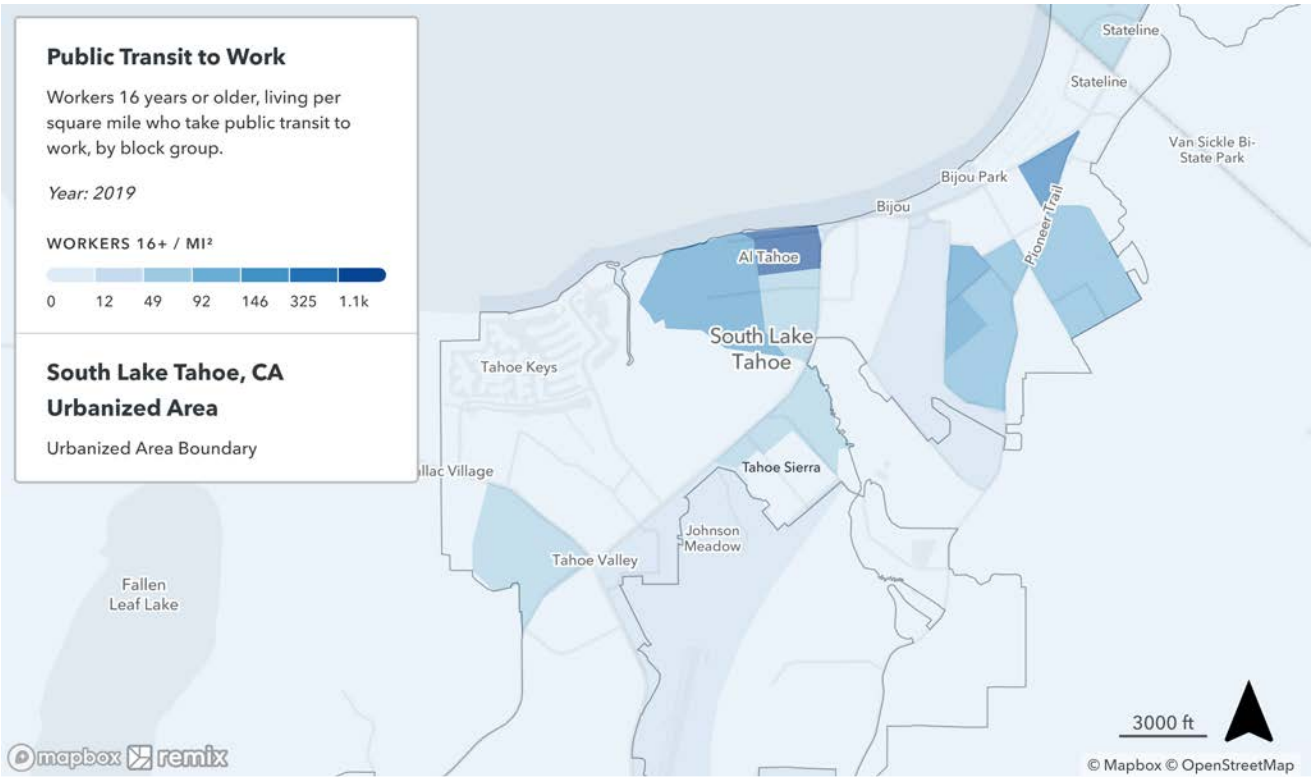


Figure 12. Public transit commuters.

4.4 Transit propensity analysis

Transit propensity, at its core, is defined as the likelihood of using public transit. A transit propensity analysis takes into account the local demographic factors of groups likely to take transit in a given study area (e.g. race, zero-vehicle households, income, etc), taken from the 2020 ACS data, in each census block group and compares it to the citywide average. A score of 1.0 means the block group has the same transit propensity as the citywide percentage of people who take transit, 3.2%. The below map shows that those living in Tahoe Valley, Tahoe Sierra, Bijou Park, and the Stateline border are more likely than the citywide average to take public transit. This distribution roughly corresponds to the general population density as well as the distribution of youth, residents living in poverty, and the minority population.

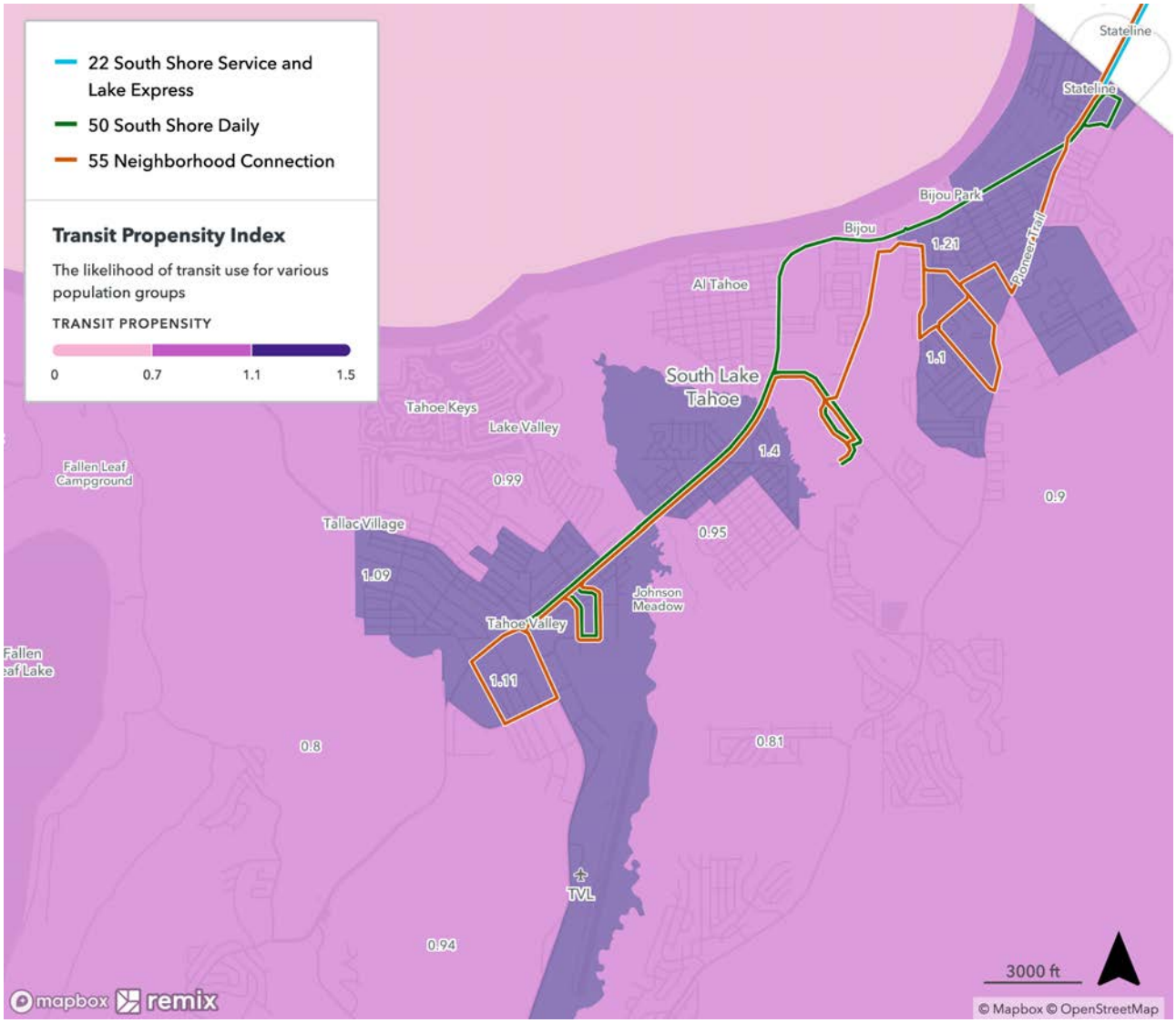


Figure 13. Transit propensity index by census block group

While some census block groups have a higher transit propensity index than others, this analysis does not take into account the population density of each block group. Some areas may have a high transit propensity index but a lower population density, or vice versa. To get a more accurate picture of which areas would be more inclined to use transit, we weighed the population density of each block group according to the transit propensity of residents, based on their demographics. The results mirror job and population densities, with higher propensity for residents in Tahoe Valley, Tahoe Sierra, Bijou Park and Al Tahoe (which has the highest percentage of people who take public transit to work.) As the map below and the next section will show, some parts of these areas are not adequately covered by fixed-route service.

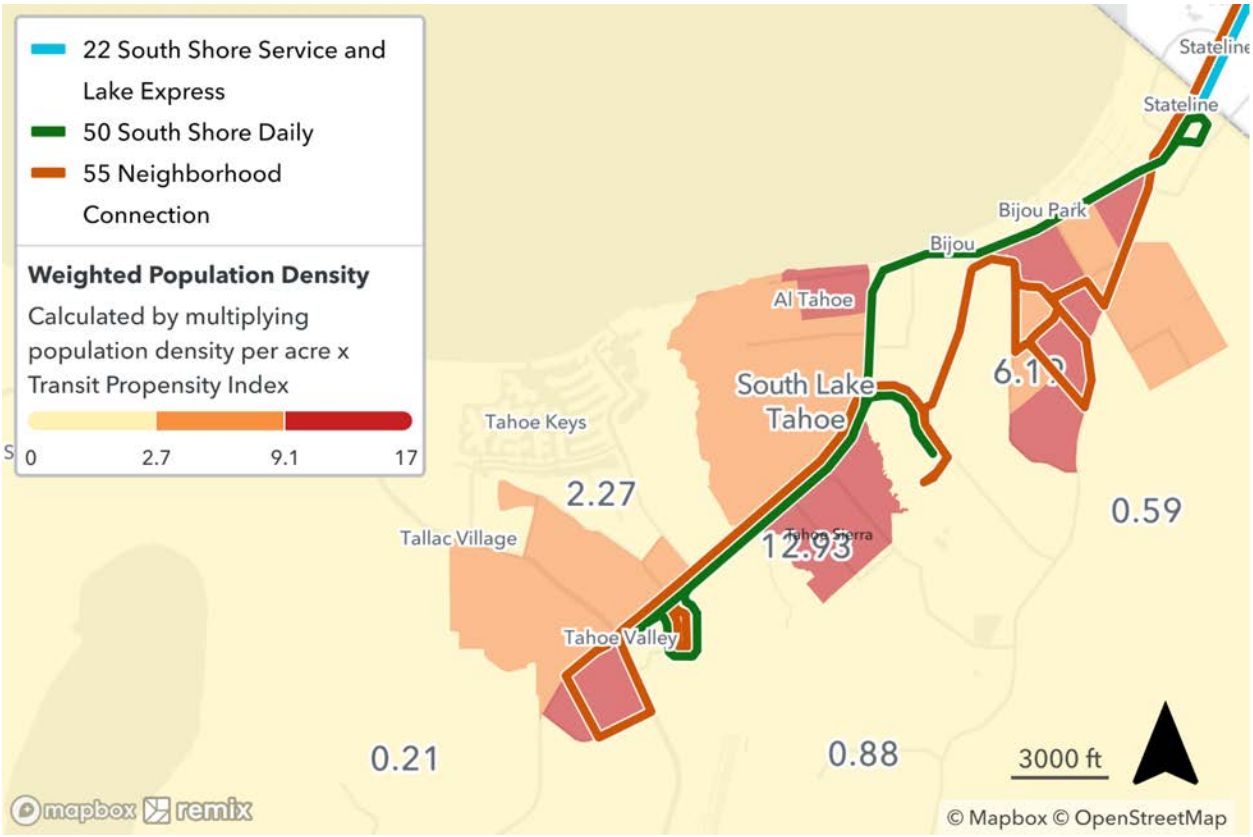


Figure 14. Weighted population density

5 System Analysis

This section is a comprehensive review of the services that Tahoe Transportation District (TTD) provides in the area, including fixed route, paratransit and microtransit. It provides an analysis of fixed route ridership, service hours and frequency, monthly ridership, and vehicle revenue hours from July 2019 to March 2022 using data provided by TTD, as well as an analysis of transit's competitiveness with driving. Additionally, it looks at paratransit travel patterns and provides an assessment of the current South Shore microtransit pilot.

5.1 Fixed Route Review

The City of South Lake Tahoe is currently served by three routes:

- Route 22 (South Shore Express & Lake Express Daily) - between Gardnerville, NV and Stateline Transit Center
- Route 50 (South Shore Daily) - between South Y Transit Center and Stateline Transit Center along US 50
- Route 55 (Neighborhood Connection) - between Kingsbury Transit Center and South Y Transit Center, through arterial roads and parts of US 50

Tahoe Transportation District also operates other routes, which will not be a focus of this study. These are Route 19X, which runs between Stateline Transit Center and Carson City, as well as Route 28, a seasonal route that runs between Incline Village and Sand Harbor Lake Tahoe Nevada State Park.

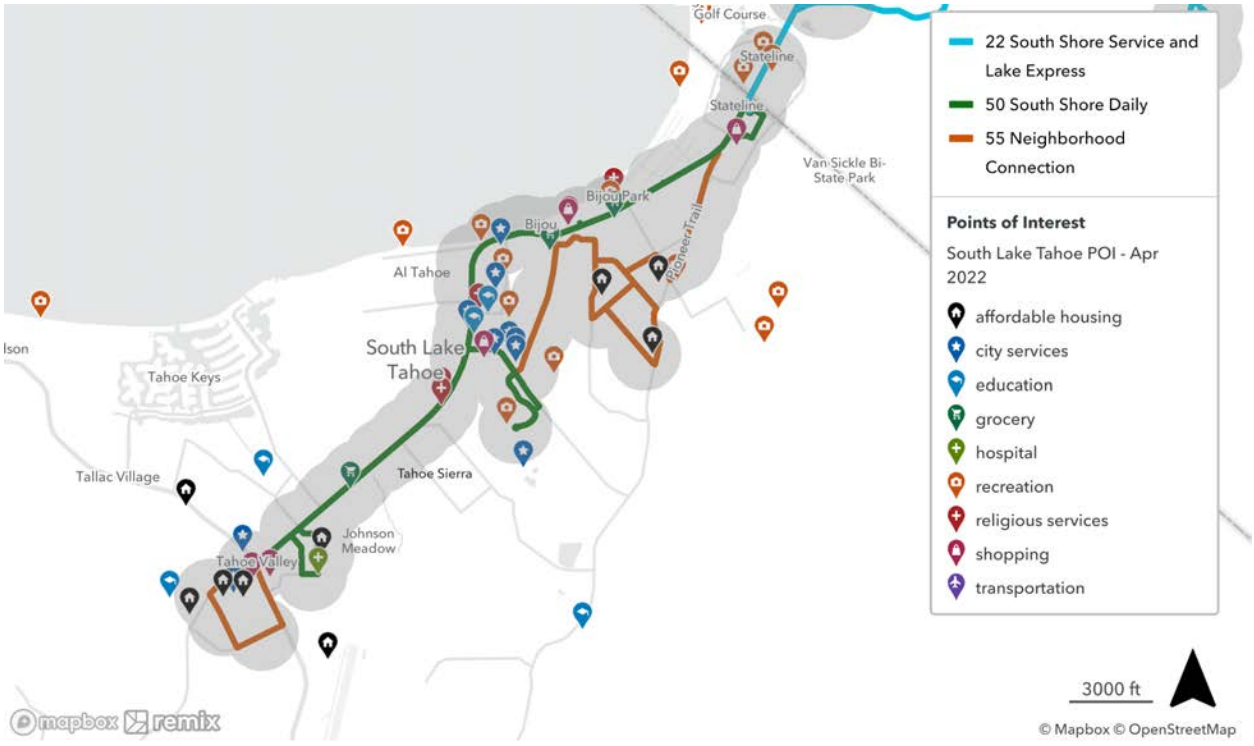


Figure 15. Map of routes serving the City of South Lake Tahoe, with 0.25-mile buffer and points of interest.

There are several neighborhoods that are not well covered by public transit, including parts of Al Tahoe, Tahoe Keys, Tallac Village, and Tahoe Sierra. These neighborhoods have significant population areas that are more than a quarter mile from a bus stop, as shown in the map below.

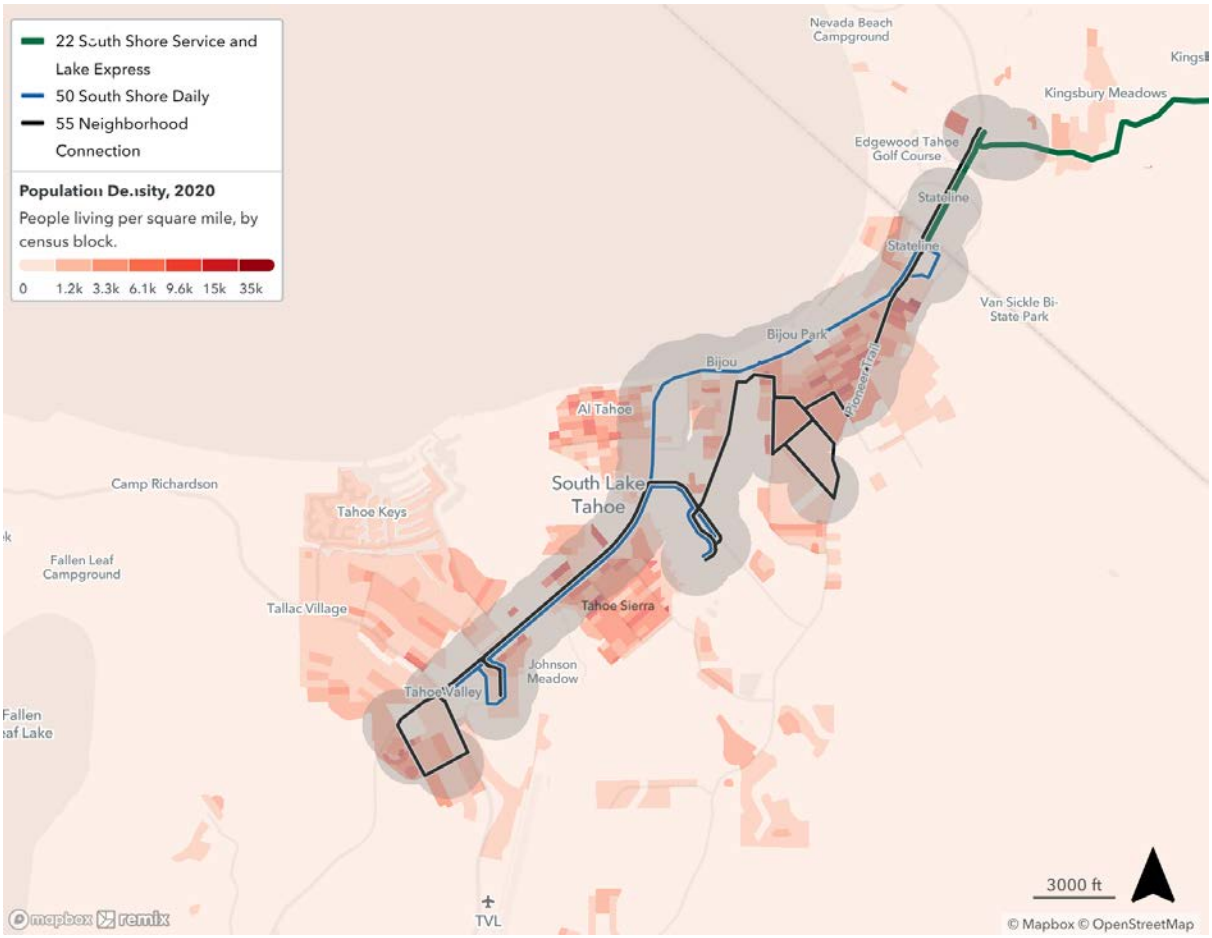


Figure 16. 0.25-mile walkshed around fixed-route transit overlaid with population density.

5.1.1 Ridership Summary

Local South Lake Tahoe Routes 50 and 55 serve approximately 88% of all TTD fixed-route passenger trips in the most recent month of available data. Routes 50 and 55 are the most productive routes in terms of utilization (passengers per vehicle revenue hour) while other routes are less productive given they are serving longer distance trips and lower density areas.

Route	Ridership (March 2022)	Utilization (March 2022)	Percent of Total
19	973	3.8	4%

Route	Ridership (March 2022)	Utilization (March 2022)	Percent of Total
22	1,012	3.8	4%
23[4]	889	4.9	4%
50	13,866	22.8	56%
55	8,032	10.9	32%
Total	24,772		

Table 2. TTD routes by ridership, utilization, and percent of total ridership, provided by TTD.

5.1.2 Service Hours and Frequency

TTD has varying levels of service per route. Route 50, which connects South Y Center to the Stateline area with fewer deviations than Route 55, has relatively moderate frequency for a lower density system. However, Route 55 has a comparatively lower frequency, which may dissuade potential ridership. The commuter Route 22 also has a lower frequency, which is typical for longer-distance, commute-oriented routes. The span of service also varies by route, with the most limited hours on Route 55, which may prevent access for workers who have evening commutes.

There are a few segments where routes 50 and 55 overlap, specifically between US 50/Al Tahoe Blvd (US Bank) and the South Y Transit Center. At any given stop between these two routes, the effective combined frequency, on average, is about 22 minutes. However, this can vary significantly depending on service disruptions or traffic Furthermore, Route 55 has more deviations than Route 50, so the increased ride time may offset the reduction in wait time if a rider were to board Route 55 in this corridor, especially if traveling to the Stateline area.

Route	Service Span	Frequency
22	5:50am - 8:00am	65 mins
	9:30am - 4:30pm	60 min
	4:30pm - 6:30pm	65 min
50	6:30am - 7:40pm	34 min
55	6:00am - 5:00 pm	60 min

Table 3. Frequency for routes 22, 50 and 55.

[4] Route 23 is no longer in service and appears to have been interlined with Route 22.

5.1.3 Transit vs Driving

While both routes 50 and 55 carry the majority of riders in the region, they still remain relatively noncompetitive with driving, with Route 55 being the least competitive. The map below shows how, from central South Lake Tahoe, there is a relatively small area accessible within 30 minutes by transit, while the whole urbanized area is accessible within 30 minutes by car.

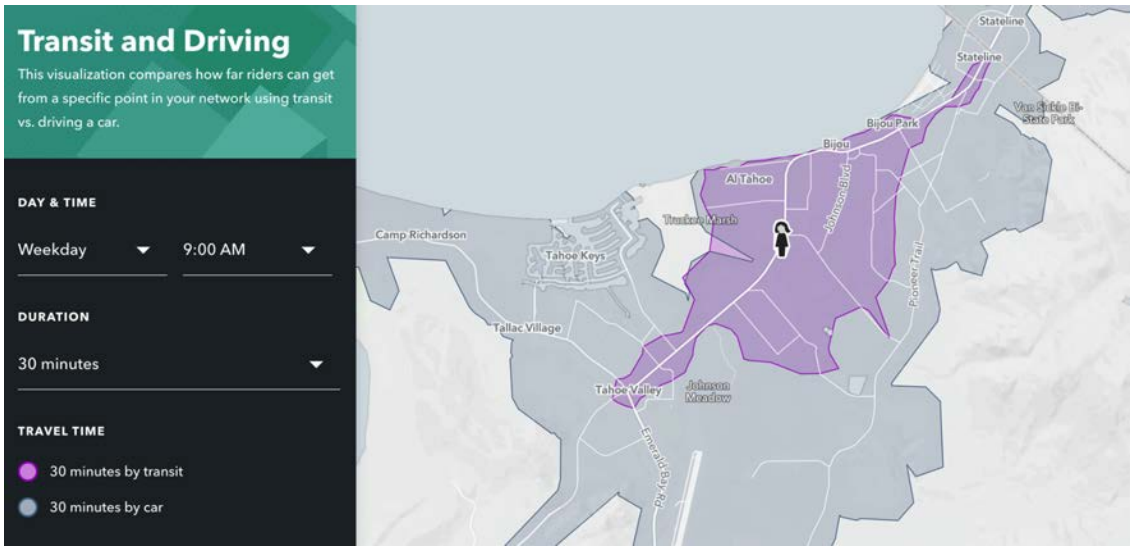


Figure 17. Compares travel time between car and transit for sample placement along Route 50.

5.1.4 Monthly Ridership

The following chart shows total monthly ridership for each route from July 2019 to March 2022. The peaks correspond to the summer and winter seasons which see a substantial uptick in tourists and seasonal residents. Route 50 serves a consistently higher number of passengers than Route 55, likely due to its higher frequency. Aside from the obvious dip in March 2020 due to the pandemic, there was another pandemic-level dip in ridership on all routes in September 2021, most likely due to the Caldor Fire, which caused closures on major roads and evacuation orders for South Lake Tahoe residents in early September.

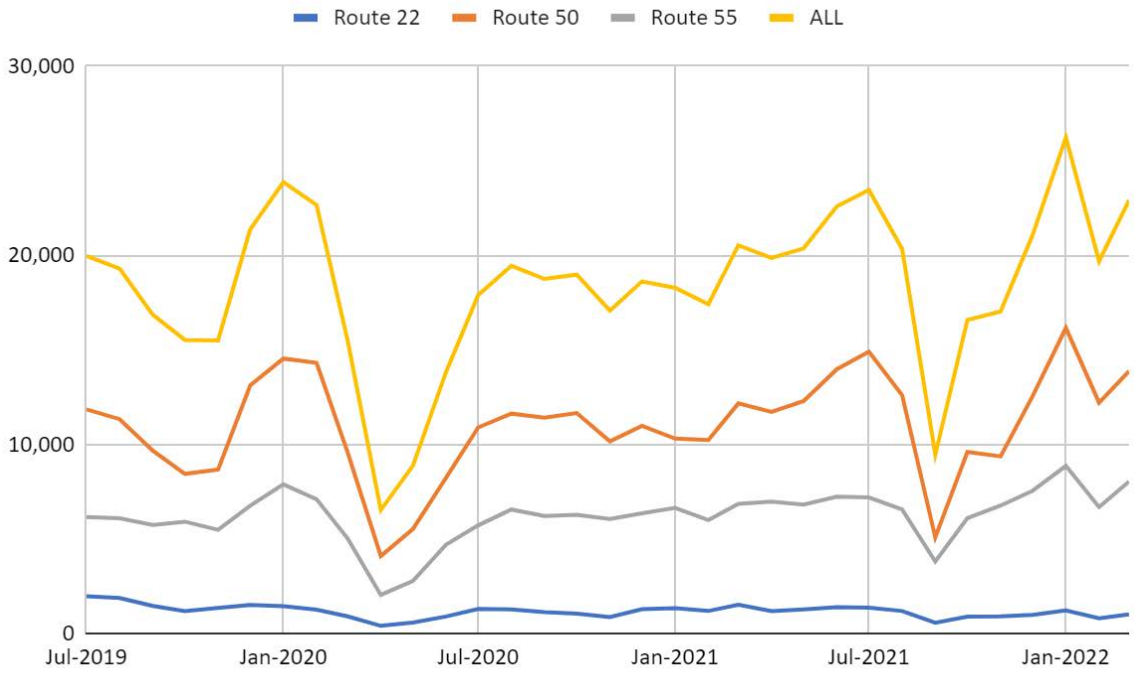


Figure 18. Ridership by month provided by TTD.

5.1.5 Vehicle Revenue Hours

Revenue hours have stayed fairly consistent leading up to, during, and right after the pandemic. The large dip in September 2021 is most likely due to the Caldor Fire, during which TTD reduced service to provide evacuation services for the county.

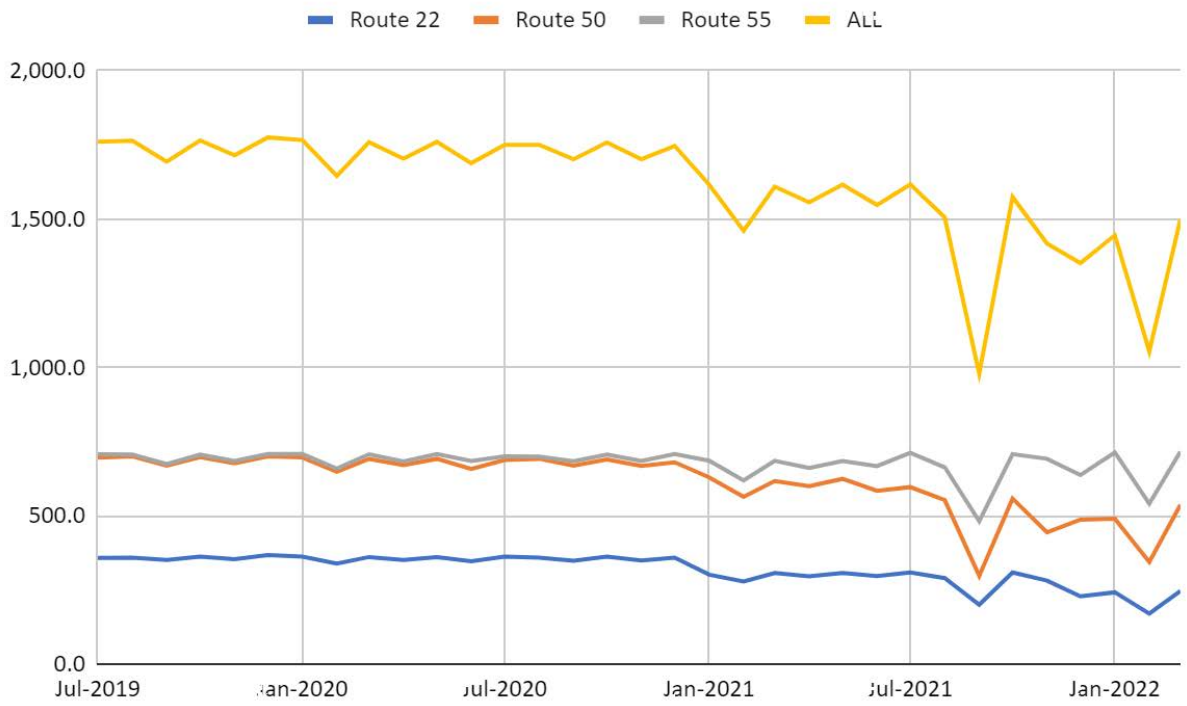


Figure 19. Revenue hours by month provided by TTD.

5.2 Paratransit

TTD currently operates a paratransit service in which users can request a paratransit ride within a one-mile radius of bus routes. Individuals with disabilities who cannot otherwise use the fixed-route system are eligible for this service.

The service hours are the same as the fixed-route hours. Reservations can be made between 6:00 am and 8:00 pm daily. Next day reservations must be made by 8:00 pm. Same-day reservations are accommodated when possible, but there are no guarantees.

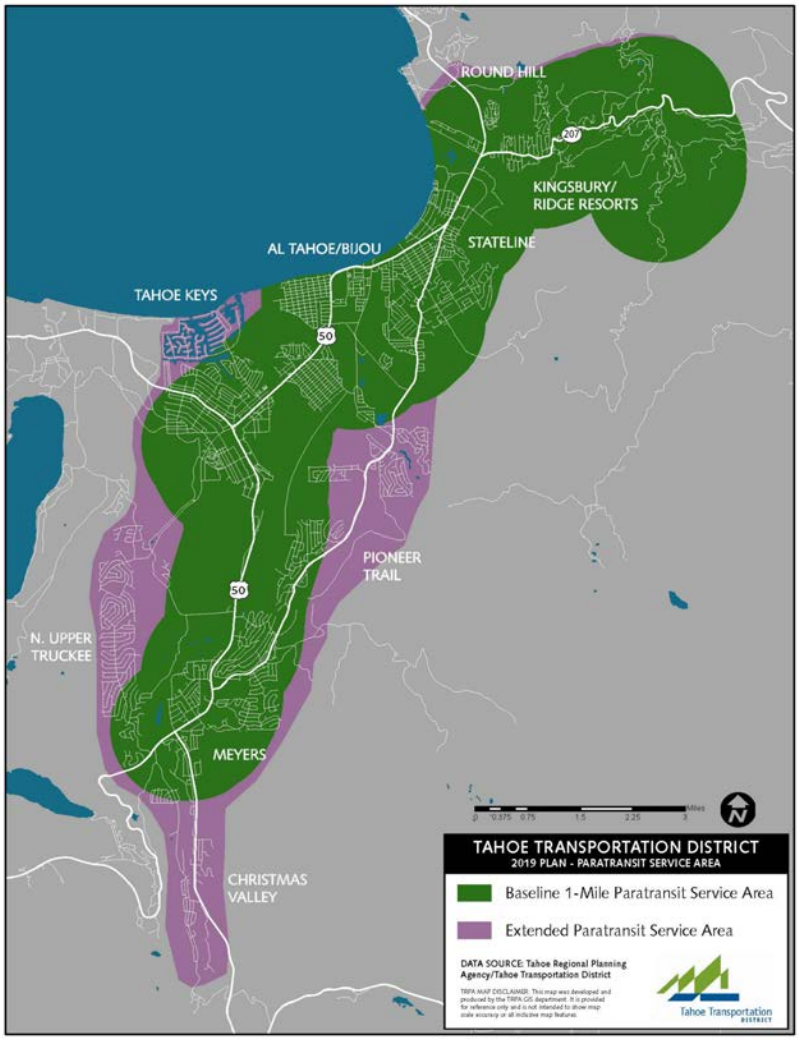


Figure 20. Map showing Tahoe Transportation District paratransit buffer zone.

5.2.1 Paratransit Travel Patterns

TTD's paratransit service has relatively low trip-volume, usually serving about 30-40 trips per weekday and no more than about 3-4 trips per hour.[5]

Paratransit riders utilize the demand-response service to access all areas of South Lake Tahoe, as well as nearby areas like Meyers and Zephyr Cove. As the origin-destination map below shows, travel patterns include a significant number of longer trips to/from the west and east sides of the City. Key POIs include the Stateline area, Sierra Garden Apartments, Barton Memorial Hospital, Sky Forest Acres Apartments, Grocery Outlet, Safeway (South Lake Tahoe), and Safeway (Zephyr Cove).

[5] Trips data provided by TTD.

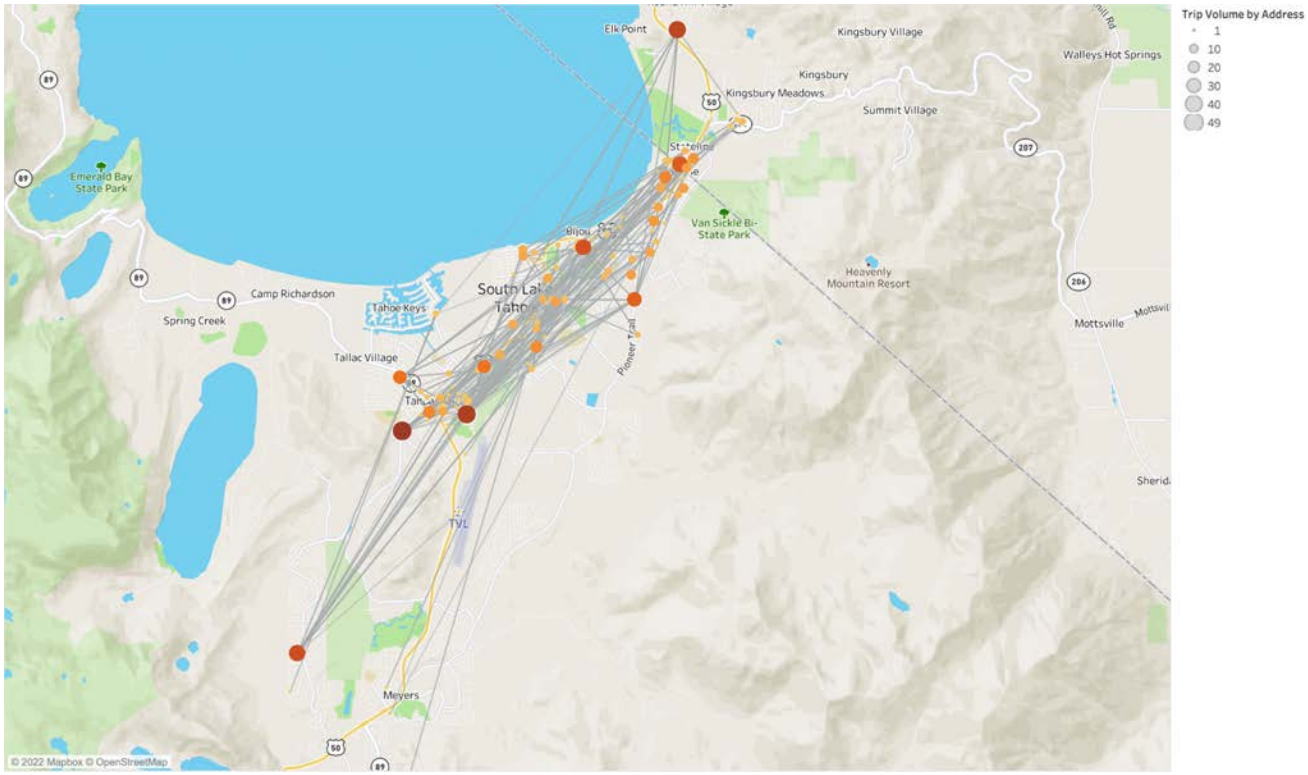


Figure 21. Two week sample of ADA origin-destination pairs, provided by TTD.

5.3 Microtransit

Microtransit is a form of public transit in which real-time, dynamic routing pairs passengers traveling along the same path, matches passengers with the best vehicle for that shared journey, and directs passengers and drivers dynamically to the best virtual stop. Passengers can request a ride through an app or by calling ahead. Through local partnerships, South Lake Tahoe piloted a dynamic fixed-route shuttle in 2018 and a new microtransit pilot was deployed in July 2022.

5.3.1 Dynamic Fixed-Route Shuttle Pilot, 2018

In 2018, the League to Save Lake Tahoe and Chariot, a former on-demand transportation company owned by Ford, teamed to provide a dynamic fixed-route shuttle pilot for three months starting in July. The service was supported by the Lake Tahoe Visitors Authority, the Lodging Association, and the Chamber of Commerce. While branded as a "microtransit" service, the service followed a fixed-route that mostly ran along US 50 connecting the Stateline casino corridor with Lakeview Commons.

Ridership did not meet expectations, averaging 200 rides per month. Ridership was most affected by significant events in the region (such as the American Century Celebrity Golf Tournament), changes in marketing, as well as reduced fees. It was utilized heavily on weekends but minimally during weekdays due to its late start hour of 9 am. The pilot faced significant challenges around its

poorly functioning technology, app failures, minimal marketing and outreach, high ETAs, and lack of reliability on Chariot's part.

5.3.2 South Shore Microtransit Pilot, July 2022

The South Shore Transportation Management Association (SSTMA) has partnered with a private operator to pilot a new microtransit service, which was introduced on July 15th, 2022. It is a free, on-demand service with four vehicles that service the zone outlined in the map below.

Between July 15 and August 31, the service saw a total of 9,404 rides with 15,961 passengers. The utilization (passenger-boardings per service hour) was 7.6, with an average wait time of 15 minutes and an average ride duration of 8 minutes. Average wait times have been steadily increasing: during the July 15-August 7 period, the service had an average wait time of 11 minutes, while during the August 7-August 31 period it has increased to about 18 minutes. The service saw its highest ridership on Saturday, August 27, with 513 riders, while the average peak ridership has leveled off at 350-400 passengers daily. Demand is highest during the afternoon peak period, between 3 and 9 PM. Popular origins and destinations include Stateline Transit Center, Chateau at the Village, Heavenly Village, Heavenly Mountain Resort's California Lodge base, public beaches (e.g. El Dorado Beach, Lake Tahoe Harbor Beach), and various retail destinations along US-50 (e.g. Safeway, Whole Foods, Raley's). The users seem largely satisfied with the service, with an average rating of 4.9 out of 5 stars.

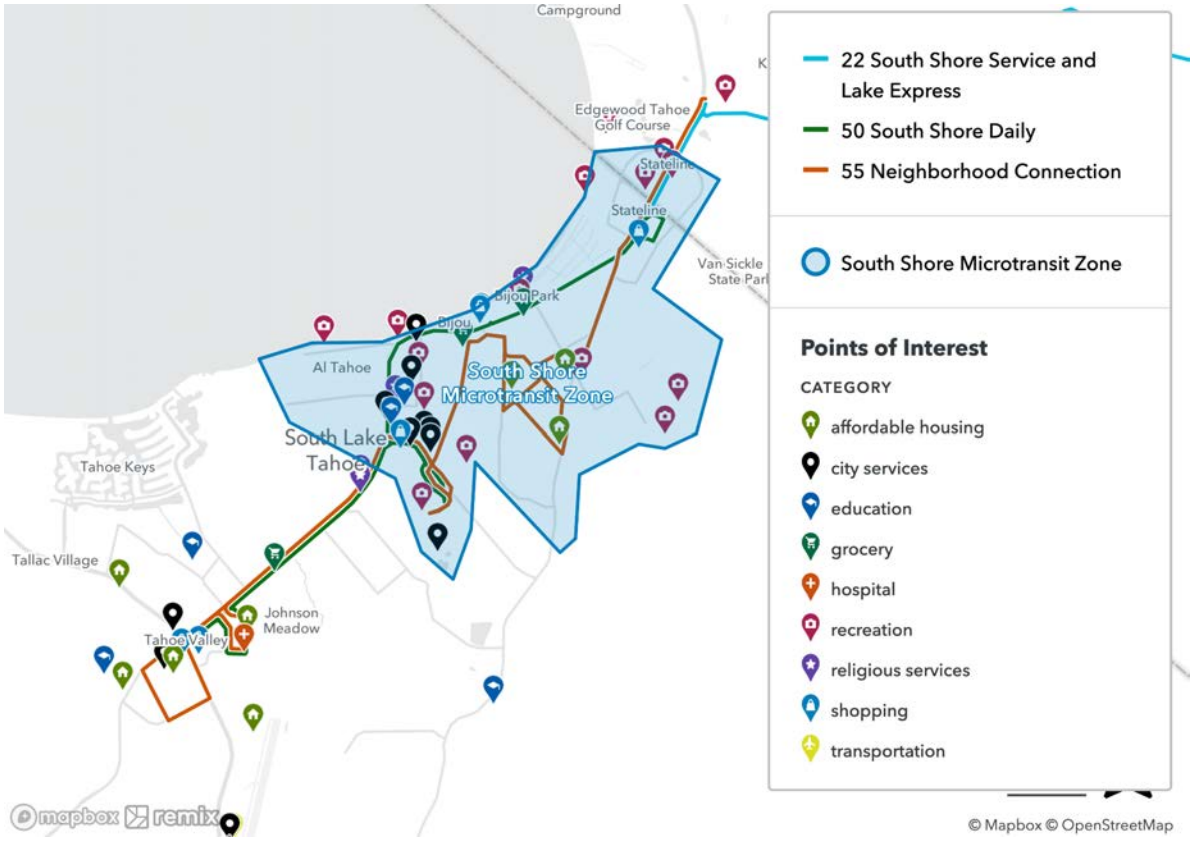


Figure 22. South Shore microtransit zone



Figure 23. Lake Link pickups heat map. Source: SSTMA.

6 Rider Experience

This section examines critical aspects of the transit system from a rider's perspective, such as convenience, connectivity, walkability, ease of use, accessibility, passenger facilities, perception and affordability.

6.1 Convenience

Convenience of public transportation is essential to a pleasant rider experience. In fact, a 2020 survey has found that riders rank convenience as the highest priority when choosing transit,[6] and it can be an indicator of public transit's competitiveness with driving. To evaluate convenience, we looked at multiple factors that affect the passenger experience, such as travel times, service frequency, walk distance, affordability, real-time information, bus stop amenities, and hours of service.

Users who take Route 50 will likely find it to be a more convenient service than Route 55. It has a higher service frequency and runs through a high-density and high-traffic corridor with lots of activity. Stops along this route tend to have relatively good amenities, such as a bench and/or shelter, and pedestrian infrastructure leading up to the bus stops. Additionally, between US 50/Al Tahoe Blvd (US Bank) and the South Y Transit Center, where Routes 50 and 55 overlap, there is an even higher effective frequency (on average, about 22 minutes).

Route 55, on the other hand, is less frequent and runs through primarily residential communities. Many stops along this route have basic to no amenities, and can be inaccessible to pedestrians as there is inadequate pedestrian infrastructure.

However, on-time performance for Route 50 is relatively low, and lack of widespread coverage means that riders will sometimes have to walk long distances to get to and from their bus stop. Further, service stops at 5pm for Route 55 and 7:40pm for Route 50, which means riders traveling late at night will need alternate means of transportation.

Overall, both routes remain noncompetitive with driving. Relatively lower frequency and lack of amenities on Route 55, reliability issues on Route 50, and distance to a bus stop in some neighborhoods may cause the fixed-route service to be inconvenient for some riders.

Regardless of route taken, service is fare-free. Users can easily plan their trip ahead of time by checking Google Maps or the Transit app, where they can track buses in real time, which may alleviate some of the inconvenience associated with a late bus.

[6] Masabi. 2020. "Public Transportation Survey Finds Riders Rank Convenience as Highest Priority When Choosing Transit." Mass Transit. April 15, 2020. https://www.masstransitmag.com/management/press-release/21133994/masabi-us-ltd-public-transportation-survey-finds-riders-rank-convenience-as-highest-priority-when-choosing-transit.

6.2 Connectivity and Travel Time

Transit travel times tend to be relatively high to/from most points of interest (POIs) in South Lake Tahoe. The following chart shows the percentage of South Lake Tahoe residents who can reach each listed POI within variable timeframes on a combination of fixed-route transit and walking.[7] Less than 50% of the population can access these POIs within 30 minutes, while few POIs are accessible within 60 minutes by all South Lake Tahoe residents.

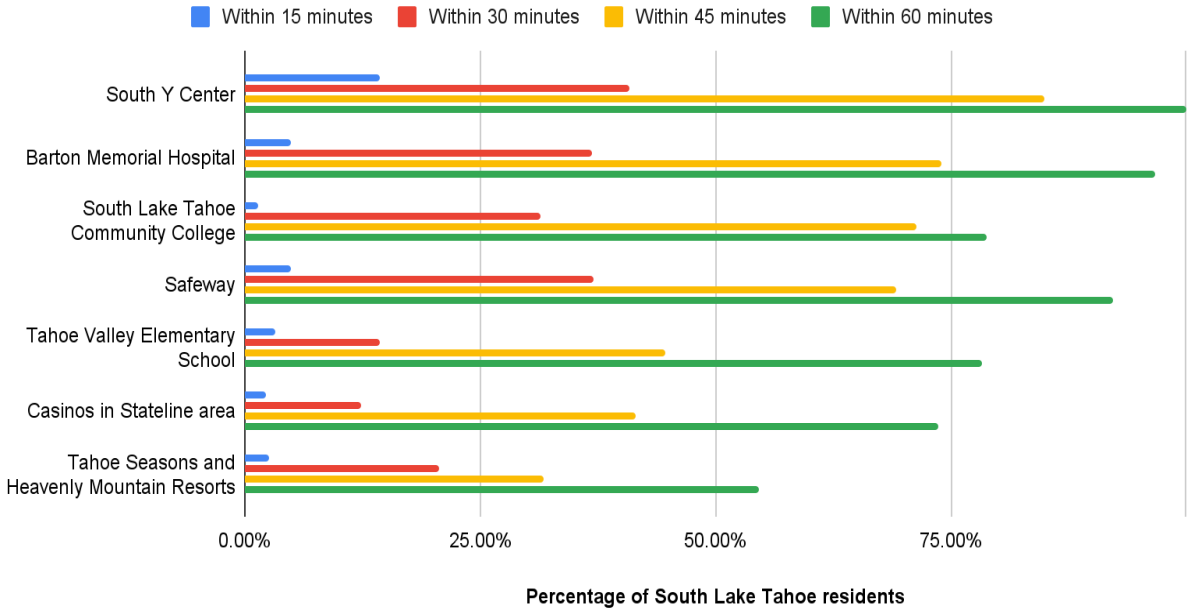


Figure 24. Percentage of South Lake Tahoe residents that can access points of interest within 15, 30, 45 and 60 minutes.

By highlighting transit access to the South Y Center, the map below further illustrates how most of the South Lake Tahoe population has a 30-minute travel time or more to most POIs.

[7] This analysis assumes a weekday 9:00 AM departure time.

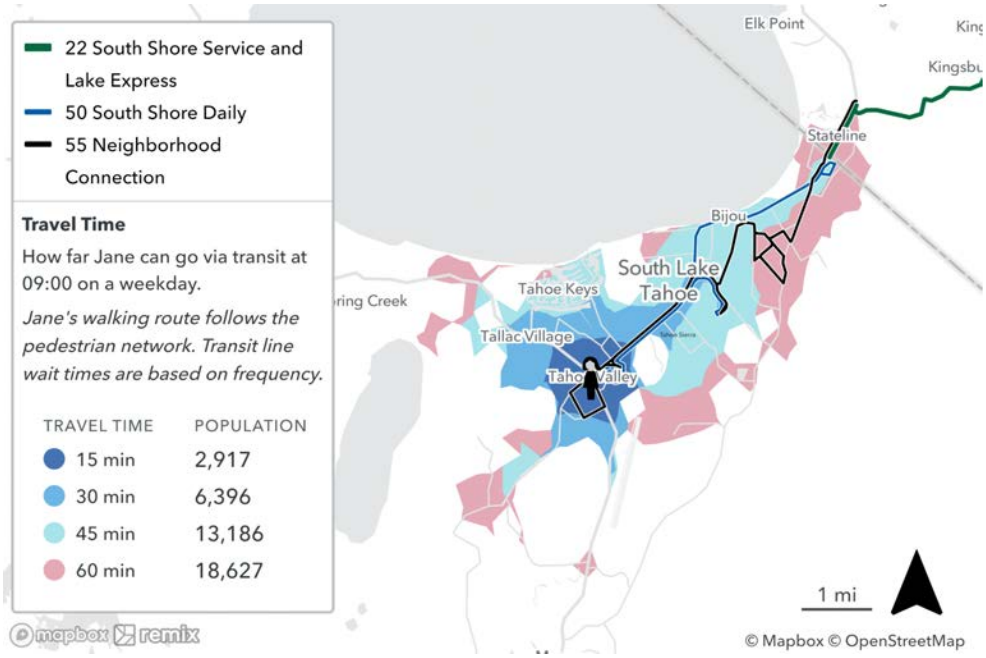


Figure 25. Travel time from South Y Transit Center via transit at 9:00 on a weekday. Relatively few South Lake Tahoe residents (about 35%) can access the South Y within 30 minutes via transit.

6.3 Walkability

Pedestrian infrastructure leading to bus stops vary by route. The bus stops on Route 50 are along US Highway 50, which have high foot and vehicular traffic, and these roads are paved with adequate pedestrian infrastructure—such as protected pedestrian crossings, sidewalks, and lighting. Bus stops on Route 55 are located on arterial roads, which often have poor pedestrian infrastructure.



Figure 26. Pedestrian infrastructure along US 50. Sidewalks are present, but wide roads lead to long crossing distances and potentially unsafe conditions for pedestrians.

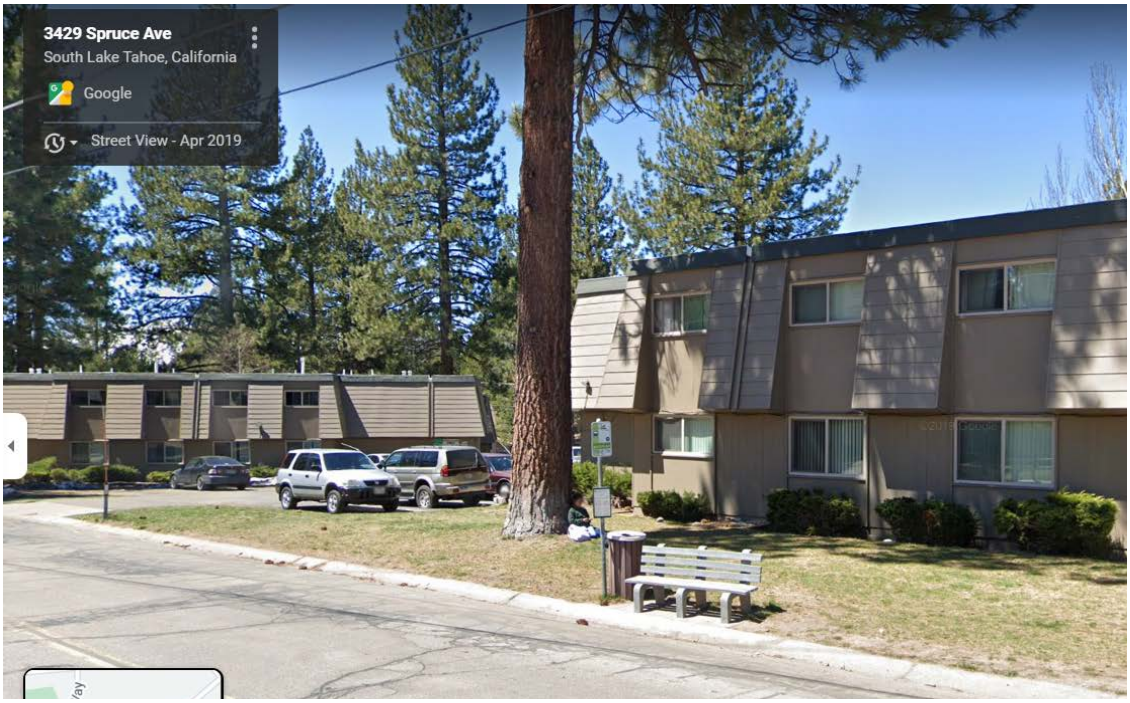


Figure 27. Bus stop along Route 55 along Spruce Avenue. There is no sidewalk at this location.

6.4 Ease of use

Passengers can plan out their trip using the TTD website, which allows them to enter their origin address, destination address, their desired time of departure/arrival, and choose between "best trip," "less walking," and "fewer transfers." It takes users to Google Maps, where the best route is mapped according to the user's preferences. Departure and arrival times are updated in real-time, so users can plan out their trips in advance to minimize wait time. Real-time information is also available on the Transit app. Additionally, users can go to the TTD Twitter page, which informs users in real-time of any reduced service and rerouting.

6.5 Accessibility

TTD's curb-to-curb paratransit service provides accessibility for riders who have mobility challenges that limit their ability to use the fixed-route bus system. Further, the Lake Link microtransit service in the eastern half of South Lake Tahoe also increases accessibility for those who are unable to walk to/from a fixed-route bus stop or board/alight the bus without assistance. Half of the Lake Link vehicle fleet (two of its four vehicles) are wheelchair-accessible, and passengers with disabilities are provided with curb-to-curb service.

6.6 Passenger Facilities

Physical amenities and passenger facilities are an important component of the passenger experience. The following map shows stops on the 22, 50, and 55 categorized by the availability of amenities: none, bench only, bench + shelter, and transit center. Most of the bus stops with both benches and shelters can be found on the main US 50 corridor, while those with inadequate passenger facilities can be found on Route 55, and on arterial roads.

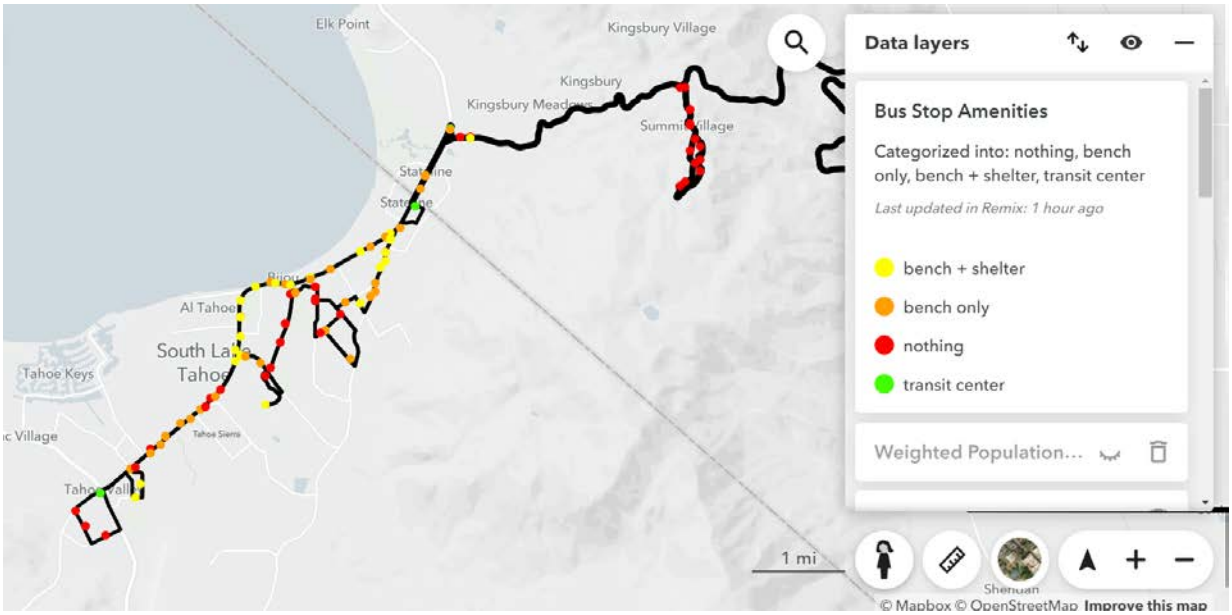


Figure 28. Map of categorized bus stop amenities.



Figure 29. Bus stop at Julie Lane and B St on the 55. This bus stop has neither a bench nor a shelter.

The 2016 passenger survey conducted for the 2017 Short Range Transit Plan asked survey respondents to rate their satisfaction with the condition of certain amenities at their bus stops. Most respondents rated the signage, shelter and the quality of lighting at their stops "good" (an equivalent of 4 out of 5 stars.)

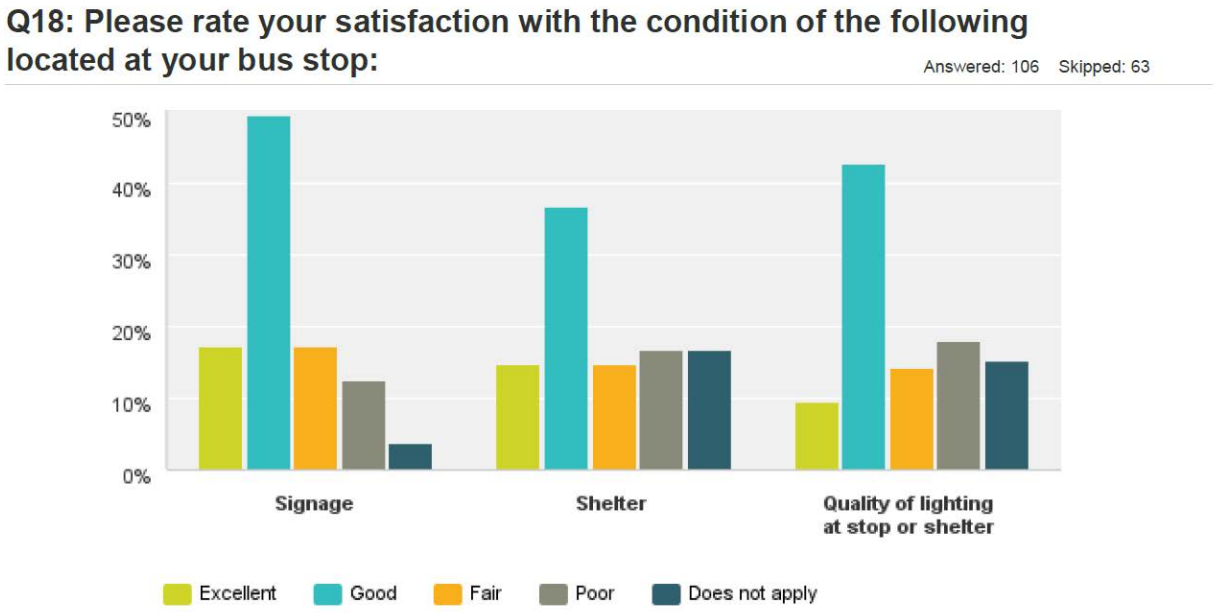


Figure 30. Customer satisfaction survey from 2017

6.7 Perception

Survey respondents in the TTD Short-Range Transit Plan Customer Satisfaction Survey have generally positive views of their experience on TTD. A majority of respondents indicated that safety, parking, and walking distance to their bus stops were “good” or “excellent.” 72% of riders surveyed rated their overall satisfaction with TTD staff “good” or “excellent,” and 52% of riders were either “satisfied” or “very satisfied” with their overall TTD experience.

6.8 Affordability

TTD has been offering fare-free service since April 12, 2020 in response to the COVID-19 pandemic. TTD has secured sufficient grant funding to keep fares free until May 31, 2022, after which its continuity is entirely dependent on the availability of funding.

Prior to the pandemic, each fixed-route ride was a flat $2 fare (with the option to get an all-day pass for $5.) Paratransit service was $3 for a ride within the 1-mile buffer zone, and $6 for any trip originating or terminating within the extended service area (see Section 5.4 Accessibility).

7 Fixed-Asset Management

Currently, TTD’s bus fleet is housed in a maintenance facility located at 1663, 1669 and 1679 Shop Street in South Lake Tahoe, near South Lake Tahoe Airport. The facility is owned by the City and leased to TTD. It is currently at capacity, and TTD is looking to build a new facility to accommodate its growing fleet in the Zephyr Cove area. If TTD were to move, the facility could potentially be used to house microtransit vehicles.

TTD has acquired three Proterra electric buses for fixed-route service, as well as several electric-retrofitted cutaway buses for its Complimentary ADA paratransit service, which require charging infrastructure. Charging infrastructure will be located at Lake Tahoe Community College, which is about a 15 minute drive from the current storage and maintenance facility (assuming regular traffic). TTD staff reported to the project team that chargers cannot be installed at the current maintenance and storage facility due to high water table issues. There is ongoing assessment of the feasibility of chargers at the current maintenance and storage facility. Having charging infrastructure at a different location than storage will increase deadhead for the overall service. TTD is interested in potentially installing electric-vehicle charging infrastructure at the proposed facility in Zephyr Cove to address this issue.

8 Public Outreach

The project team conducted public outreach in three primary forms between June and July 2022. These engagement activities included: 1) four stakeholder focus groups, 2) an in-person City Council workshop, 3) a public online survey with about 850 respondents, and 4) a presentation for SSTMA on September 16.

The goal of public engagement was to better understand the challenges around transportation in South Lake Tahoe to inform recommendations for this study. The sections below summarize our learnings from this outreach.

8.1 Stakeholder focus groups

The project team conducted four focus groups of stakeholders over two days in mid-June 2022. The stakeholders included the business community, public agency representatives, and nonprofit service providers shown among the following organizations:

- Lake Tahoe Community College
- Douglas Area Rural Transit
- Washoe County
- ADVANCE
- Tahoe Transportation District
- Tahoe Regional Planning Agency
- Boys and Girls Club
- Live Violence Free
- The League to Save Lake Tahoe
- Achieve Tahoe
- Barton Health
- El Dorado County Health and Human Services
- Lake Tahoe Visitors Authority
- Lodging Association
- South Shore Transportation Management Association (SSTMA)
- South Tahoe Alliance of Resorts
- Tahoe Prosperity Center

The meetings largely followed a similar format. The project team presented an overview of the project, some initial findings and analysis, then asked the following questions to facilitate an open discussion of transit-related challenges and opportunities in South Lake Tahoe:

- What is your opinion of the current bus system?
- What are the biggest gaps in the current bus system?
- Why do those you represent ride (or do not ride) the bus?
- What are your goals for public transportation in South Lake Tahoe?

The business-sector organizations who participated in this meeting were primarily concerned with the limited frequency of service, lack of accessibility, limited service hours, and long travel times for employees and visitors. These conditions would need to improve dramatically in order for transportation to be a viable way to get around for employees and visitors. Lake Tahoe Visitors Authority (LTVA) pointed out that they do not recommend TTD as a way to get around for tourists, as it does not serve popular tourist destinations like Emerald Bay, Zephyr Cove, Sierra at Tahoe, Kingsbury Grade, Pope Baldwin, Camp Richardson, and Kirkwood. They suggested that access to Heavenly Village should be prioritized, given that TTD recently stopped operating shuttles there, though they noted that larger buses cannot operate well on unpaved roads. They also mentioned that travel times are too long to make transit a realistic option. Other stakeholders indicated that for transit to be broadly useful, frequencies on the buses need to be 20 minutes or better (with typical wait times of 10-15 minutes). The manager of the Forest Suites Resort at Heavenly Village reported that his employees have been frustrated with the limited evening service and availability, given the nature of late-night shifts. These employees live primarily in Tahoe Valley and Bijou Park, where there is some service coverage).

The non-profit organization stakeholders were primarily concerned with the limited frequency and coverage of transit service, the need to expand nonemergency medical transportation (NEMT) options, the inaccessibility of bus stops, and the importance of regional interconnectivity. They agreed that currently, service is neither frequent nor reliable enough to attract riders who have access to personal vehicles, and riders who depend on transit to get around often experience poor quality of service. Achieve Tahoe pointed out that there is currently no regional disability transportation provider in South Lake Tahoe to supplement TTD's paratransit service, making it difficult for riders with disabilities to access areas beyond the limited ADA paratransit service zone. Barton Health is interested in a more dependable NEMT option. Uber/Lyft services are not always reliable for NEMT purposes, and there are few bus stops at medical clinic locations, which can present a hardship to some patients. Barton Health also noted that many patients need to make regional trips—e.g. to Reno, Sacramento, and Carson City—to access medical appointments with specialists, pointing to the need for regional transit service connectivity.

TTD and TRPA staff spoke mostly about the constraints of current and potential future service, as they are the agencies responsible for planning and operating transportation in the area. They recognized that while morning service is adequate (a perspective shared by some non-profit stakeholders), service does not operate late enough into the evenings for workers with evening shifts, which is a concern voiced by other stakeholders from the business community. As with the nonprofit organizations, they also noted the deviation of Routes 50 and 55 at LTCC for EV charging, which adds to riders' travel times. They noted that they would need to install additional EV charging locations at the Y or at Stateline, instead of LTCC alone, to accommodate charging at the end of TTD routes rather than mid-trip. TTD and TRPA staff explained that an ideal solution would be a mixed-vehicle, multimodal fleet capable of adapting to different levels of demand and roadway environments. Highway 50 and other trunk lines cannot be replaced realistically by microtransit due to the inadequate capacity of smaller vehicles (e.g. minivans). Both TTD and TRPA staff agreed that microtransit would best be suited as a feeder service serving residential neighborhoods that would connect to fixed route service or ski resort circulator service.

The main issues raised by public agencies and educational institutions were the importance of regional transit interconnectivity, the limited service hours, limited pedestrian infrastructure to access bus stops, and multimodal connectivity. This group spoke to the need for service across county lines. While the vast majority of students at LTCC commute within a 15/20-minute drive, there are some who come from Meyers, Crystal Valley, Incline Village, Tahoe City, Truckee, Carson and Sacramento, where there is no direct transit service to the City. The group also discussed the recreational travel needs of both residents and tourists. They expressed a desire for the upcoming microtransit service to have bike racks (which they will, as confirmed on the website) and for transit service to be well connected to bike trails, such as the Stateline Bike Trail, in order to facilitate first mile/last mile connections. They noted that funding would not be a barrier to expanding bike trails, and there could be an opportunity to ensure transit connectivity to these trails. The group also said that their community members were excited about the electrification of the bus fleet. However, the requirement to charge buses during midday periods at LTCC would continue to increase travel times, presenting a potential challenge for maintaining and growing ridership.

8.2 City Council transit visioning workshop

The project team conducted a workshop for City Council members on the afternoon of June 21, 2022. Via Strategies presented the project team, an overview of the project, initial public survey results, an overview of existing conditions, key themes from stakeholder meetings, then asked questions to the City Council members for open discussion:

- What is your opinion of the current bus system?
- What are the biggest gaps in the current bus system?
- Why do those in the communities you represent ride (or not ride) the bus?
- What should be prioritized?
- Who would benefit the most from improved transit services?
- What geographic areas are most important to serve?

The primary concerns raised by the City Council were the need to discourage driving; the question of prioritizing residents or tourists; which entity should manage, govern and operate transit in the City; and goals for public transit in the area. City Councilmembers largely agreed that public transportation is currently unreliable, infrequent, and inaccessible for many in South Lake Tahoe.



Figure 31. Screenshot from recording of City Council workshop conducted by Via Strategies.

Some council members emphasized the need to disincentivize driving. In particular, Councilmember Friedrich pointed to the need for reduced parking availability, increased fees for parking, and car share options aimed at discouraging driving. Another key discussion point was whether the service should prioritize meeting the needs of residents and workers or tourists. There was some debate about whether the current governance and operational structure of transportation in South Lake Tahoe (operated by TTD with no current City financial contribution) is supportive of the City's broader transportation goals and objectives. The council members agreed that there will need to be a joint meeting between City Council and TTD in the near future to discuss the City's priorities.

8.3 Public survey

To gather feedback from the City of South Lake Tahoe community, Via Strategies created and distributed an online survey via a City-led text blast to the residents of South Lake Tahoe. It opened to the public on June 15, 2022, and collected responses until July 14, 2022. The survey was available in both English and Spanish.

Four categories of questions were asked in the survey. The first section of the survey focused on respondents' current travel habits, in particular the modes that residents use, whether they've heard of Tahoe Transportation District's (TTD) bus services, and how often they use public transportation. Those who answered that they do use public transportation (whether five times a week or rarely) were then taken to Section 2. This section asked a series of questions about the primary reasons why people take public transportation, their perceptions of the quality of bus service, and whether they would take public transportation more often if a range of improvements were made. Those who responded that they do not use public transportation skipped Section 2 and were instead taken to Section 3, where they were asked to select the reasons why they do not take public transportation. These respondents were asked whether any of a series of improvements would encourage them to use public transportation. Section 4 asked respondents to answer questions about their demographic backgrounds, including home zip code, age range, employment status, race, annual household income, and gender. This section was optional and anonymous.

The team received 851 responses (832 in English, 19 in Spanish.) The vast majority of respondents live in South Lake Tahoe, followed by the communities of Stateline, NV and Zephyr Cove, NV. The following table shows a comparison of survey respondent demographics with the City of South Lake Tahoe at large. Compared to actual demographics of South Lake Tahoe residents, survey respondents were overwhelmingly non-Hispanic white, more female than average, and were more likely to report household incomes of over $100,000.

Survey Demographic	Survey Respondents	City of South Lake Tahoe
Aged under 18	0.1%	16%
Aged 18-64	70.4%	68%
Aged 65+	27%	16%
Hispanic/Latino	5%	28%
White	79.2%	82%
Race/ethnicity other than Non-Hispanic White	9.5%	17%
Employment status (part-time and full-time)	58.9%	70%
Income under $25k	4.3%	23%
Income $25k-$100k	33.1%	51%
Income over $100k	40.3%	19%
Male	33.3%	52%
Female	58.4%	48%

Table 4. Demographics of survey respondents vs. the City of South Lake Tahoe

8.3.1 Key survey learnings

- The most popular mode of travel is the personal vehicle.
- There is a correlation between household income and public transportation use, with those with lower incomes using public transportation more than those with higher incomes.
- Those who have high household incomes and take public transportation only do so rarely and are more likely to own cars, indicating that they are "choice" riders who do not depend on the service to get around.
- Biking and walking are popular non-motorized modes of travel.
- Minimizing one's environmental impact and avoiding parking issues are motivators for taking public transit.
- Riders generally feel safe waiting for/on the bus, and most agree that the bus stops are accessible.
- Riders would like to see more places served, in particular Meyers and Emerald Bay.
- Many people do not take public transit because they prefer the comfort and convenience of having their own cars.
- Only a quarter (25%) of respondents said they would not take public transportation even if improvements were made, indicating that a majority of non-riders may consider taking public transit if improvements were made. These potential improvements are described in the chart below.

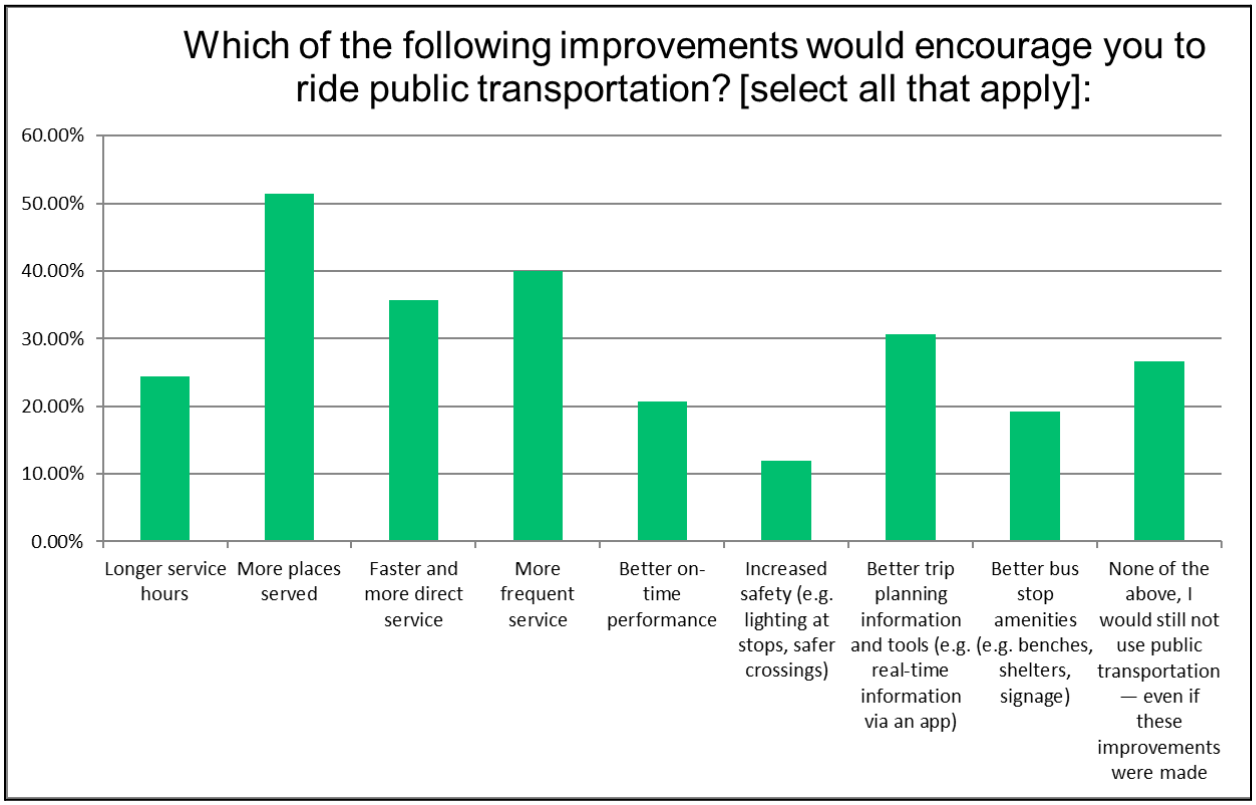


Figure 32. Answers for "Which of the following improvements would encourage you to ride public transportation?"

9 Peer Agency Review

Via Strategies conducted a review of five peer agencies facing similar challenges and interviewed their staff members about the agency's transit service (or proposed transit service), electrification (or plans to electrify), governance structure, and funding sources. The project team identified Park City Transit, Transit Joint Powers Authority for Merced County, Central Yavapai Metropolitan Planning Organization, Truckee Tahoe Area Regional Transit (TART), and Steamboat Springs Transit based on the following criteria:

Agency	Location	Relevance to South Lake Tahoe	Public Transportation Modes
Park City Transit	Park City, UT	Low-density ski + resort town with microtransit service, administrative split between city and county operations	Fixed-route bus, paratransit, dial-a-ride
Transit Joint Powers Authority for Merced County	Merced County, CA	Low-density service area, on-demand transit in addition to fixed route, operated by a JPA that consolidated three former local public transit service providers	Fixed-route bus, paratransit, microtransit
Central Yavapai Metropolitan Planning Organization	Yavapai County, AZ	Low-density service area, considering establishing a JPO to manage an on-demand shared ride network	Microtransit (planned)
Truckee Tahoe Area Regional Transit (TART)	Truckee, CA	Geographic proximity with similar demographics and density, operates a microtransit service	Fixed-route bus, microtransit, dial-a-ride
Steamboat Springs Transit	Steamboat Springs, CO	Low-density ski + resort town with microtransit service	Fixed-route bus, paratransit, microtransit

Table 5. Summary of peer agencies

Microtransit. Four out of these five agencies have implemented microtransit as a complementary service to fixed-route transit. Of these four, three are bookable via mobile app, while one requires passengers to book rides by phone. Their operating hours are often the same as the fixed-route system's operating hours, with an average wait-time of around 15 minutes.

Transit agencies broadly view these microtransit services as successful. Some agencies pointed to high productivity and better coverage (compared to replaced fixed-route services), especially in residential neighborhoods; increases in ridership; and successful integration with fixed-route service. Steamboat Springs Transit and Merced County Transit have adjusted or even entirely replaced their less productive fixed routes, and have successfully commingled microtransit with ADA paratransit service to conserve operating resources. However, some challenges remain. Park City Transit has faced driver staffing challenges due to a widespread labor shortage and competition with other regional transit agencies. Central Yavapai MPO has faced difficulties in

scaling with additional vehicles due to limited funding, a result of the challenging political environment in the area. Others have pointed out the need for additional driver training on microtransit software, as well as inconsistent mobile reception in rural areas that may reduce the quality of service.

Multimodal integration. These agencies noted that multimodal integration (e.g. between microtransit and fixed-route service) has been difficult. Like TTD, most agencies have instituted a fare-free policy to boost ridership, which has been made possible by grant funding (such as the CARES Act) and cost-sharing agreements with local employers (e.g. resorts.) Integration with shared micromobility services, such as bike or scooter share is limited; while popular, these services are operated as distinct services from the transit system. None of the peer transit agencies have created an integrated mobile app that supports multimodal trip planning, though several agencies stated it is a long-term priority.

Electrification. There were varying levels of preparedness for the transit industry's transition to electrified vehicles. Agencies agreed that funding for electrification is now more readily available than in years past, as transit agencies can tie EV charging infrastructure funding to other grant funding programs, such as those affordable housing or transit-oriented development. For example, Park City Transit has received an EV charging grant from Volkswagen's Electrify America settlement, while the City of Merced has received the Affordable Housing Sustainable Communities (AHSC) grant, which will fund electric vehicles. TART stated that it is challenging to justify transitioning to EV's due to its challenging terrain, the length of its regional bus routes (i.e. some routes may exceed vehicle battery ranges), and low winter temperatures affecting EV battery performance.

Governance. The agencies we interviewed fell into two broad administrative categories: municipal transit agencies and regionally integrated transit agencies (such as Joint Powers Authority (JPA) or regional transit authority). Municipal transit agencies have stated that they are better able to focus on municipal needs (e.g. local mobility, service to recreational destinations) and that this structure may work better for resort-oriented service, which often serves locally oriented trips. However, this structure may complicate multimodal integration plans, as additional interlocal agreements are required to operate regional service and to coordinate fare policies. Additionally, there may be competition around driver staffing in competitive labor markets between nearby municipal transit agencies, which can be avoided in the regionally integrated governance approaches.

Regional integration may provide a better governance structure for solving regional transportation challenges, such as when resort workers relocate to adjacent towns or counties in search of affordable housing, yet still require public transit to get to work. Another benefit is that JPAs and regional transit authorities involve varying degrees of proportional representation from all participating municipalities; typically cities that generate greater ridership or funding levels for the agency see greater representation in decision-making. Allocation of funds is typically reflective of population and ridership; as such, smaller municipalities in the region that have less ridership may have less influence in the regional decision-making process.

Funding. Peer agencies use conventional sources of transit operations and capital funding (e.g. FTA formula funds and Caltrans operating assistance), with additional funding from competitive

grants (e.g. CMAQ and AHSC), CARES Act, and local funding measures. They agreed that funding sources should be sustainable and recurring to ensure long-term service improvements. They have also found a range of suitable local funding sources to supplement state and federal programs, including property tax assessment districts of tourist areas, HOA fees for large resorts to fund specialized services like microtransit or circulators, county sales tax measures, and local sales & hotel taxes. A table of funding sources used by peer transit agencies can be found below.

Agency	Governance Structure	Funding sources
Steamboat Springs Transit	Municipal transit system (with intergovernmental agreements for regional service)	• Local funds from City of Steamboat Springs, City of Craig, Routt County (25%) • CDOT FASTER grants (50%) • Fare recovery from regional routes (35%)
Merced County Transit	Joint Powers Authority	• Measure V (County's 30-year ½ cent transportation sales tax) • FTA Section 5310 and 5311 • AHSC for electrification and charging stations • LCTOP (Caltrans) • CMAQ (FTA discretionary grant)
Park City Transit	Municipal transit system (County provides regional service through High Valley Transit)	• Five local taxes (hotel, sales and property taxes) • CARES grant • FTA Section 5311
Truckee TART	Municipal transit system (County provides regional service through Placer County TART)	• TDA (Caltrans) • FTA Section 5311
Central Yavapai MPO	Joint Powers Authority (proposed but not implemented)	• Eligible for Section 5307 (FTA), though the MPO returns these funds due to the lack of a local match • Town of Prescott to utilize CARES Act funding for microtransit pilot

Table 6. Funding sources for peer agencies.

10 Transit Alternatives

Elements of a multimodal network include the full range of public transit and paratransit services available in South Lake Tahoe: fixed-route bus, microtransit, ADA paratransit, and non-emergency medical transportation. A key priority in creating a balanced and effective multimodal transit network for South Lake Tahoe is to ensure that various public transit services are designed to optimize the rider experience. Optimizing the rider experience involves designing transit options that achieve the City's rider experience criteria described in 6 Rider Experience. Each mode within a multimodal transit network has varying strengths and weaknesses with respect to serving particular trip purposes, use-cases, destinations, or rider needs. An outline of the strengths and weaknesses of these modes is provided in the following section.

- **Fixed-route bus service:** Fixed-route service is particularly suitable for serving as longer-distance trips and corridors with either very high or very low levels of demand. Fixed-route service is often operated with larger 35' or 40' transit buses, which can accommodate higher passenger volumes on a more popular, frequent service (e.g. Route 50). Alternatively, fixed-route service operated at low frequency may be suitable for some trips with relatively low passenger demand, or demand focused during a narrow window such as commute-oriented service, such as TTD's East Shore Express, Route 19X, or Route 22. To save on operating costs, fixed-route services should be as simple and direct as possible along a given travel route; too many deviations lengthen travel times and discourage ridership by making the service less competitive with driving.
- **Microtransit:** Microtransit is more suitable for providing a high quality of service — with shorter wait times and walking distances to stops — than would be practical for a fixed-route service at similar rates of expenditure. Microtransit is especially suitable for providing a high quality of service across lower-density areas with diffuse demand that is not concentrated at a particular destination or along a particular corridor. Many transit agencies have found that microtransit can serve one of several particular use cases: replacing unproductive, low-ridership fixed-route service; providing first-mile/last-mile connections to more frequent fixed-route services, such as from a low-density neighborhood to a retail corridor with frequent bus service several miles away; or providing a basic support layer of public transit coverage in areas not currently served by fixed-route transit. Microtransit is less suitable, however, for serving very high levels of ridership focused along busy corridors, as its smaller vehicles result in higher fleet requirements and operating costs under these conditions. It also may struggle to operate in areas with very low demand, where ridership is insufficient to justify the cost of a single, dedicated vehicle resource.
- **Specialized paratransit services, including Complimentary ADA paratransit and non-emergency medical transportation (NEMT)** play an ancillary, but important role in a multimodal transit network. By limiting eligibility to only the highest-need rider groups who cannot access fixed-route bus service (e.g. seniors, people with disabilities, and people with serious medical conditions), these services provide their riders with the additional level of guaranteed scheduling through pre-booking and assistance (e.g. door-to-door service) they require.

An emerging best practice in transit planning is to integrate fixed-route and microtransit services into a coherent, multimodal network by accentuating the strengths of each mode. This means

designing fixed-route services that are as fast, frequent, and direct as possible to reduce travel times and encourage high levels of ridership along the busiest, most active corridors (e.g. US-50). Microtransit, meanwhile, complements the frequent fixed-route services by filling in the gaps in coverage, providing high-quality connections to lower-density areas and helping fixed-route corridors to avoid costly, coverage-oriented deviations or branching. Paratransit services also stand to benefit from microtransit in a multimodal network. Commingling, or consolidating, ADA paratransit and NEMT services with microtransit services by sharing vehicles across these distinct services can unlock greater service efficiency as well as same-day travel options not previously available to paratransit customers.

On the basis of the Study's previous tasks described above—analysis of demographics and the existing transit network, evaluation of the TTD rider experience, public and stakeholder engagement, and a review of best practices from peer transit agencies—the project team identified several alternatives that could improve the transit network in South Lake Tahoe. These options include fixed-route and microtransit alternatives:

- **Fixed-route bus.** Four distinct changes are proposed to TTD's fixed-route service in South Lake Tahoe:
    - **Shift vehicle resources from Route 55 (Neighborhood Connection) to Route 50 (South Shore Daily).** This change effectively transforms Route 50 into a more frequent and reliable trunk service along US-50, with 20-minute headways throughout the day. It requires truncating Route 55's southern terminus at LTCC, instead of its current location at the South Y, so that it can be operated with a single vehicle at 60-minute headways (instead of the current two vehicles required).
    - **Extend the evening hours of operation of fixed-route services to 9pm to match the Lake Link service window.** This change will facilitate a wider range of trip purposes on public transit, particularly for non-commute or recreational trips.
    - **Begin operating fixed-route service between the South Y and Meyers**. This service requires one dedicated vehicle to operate at 60-minute headways, which is likely sufficient due to the lower transit propensity and density of tourist destinations in Meyers. The route will provide important connections between Meyers, South Lake Tahoe Airport and City Hall, and other important local destinations through the transfer point at South Y.
    - **Consider operating seasonal service to key recreational destinations at Kiva Beach and Zephyr Cove.** Several stakeholder focus groups indicated strong preference for additional transit service to recreational destinations, particularly at Zephyr Cove during summer high season. We propose operating two limited-stop, seasonal services to meet this travel demand: the first route operates between Kiva Beach and the South Y, with an intermediate stop at Camp Richardson. The second route operates between Stateline Transit Center and Zephyr Cover, with an intermediate stop at Round Hill shopping center. These services can be operated at 2-hour headways to facilitate interlining between these segments. In this context, interlining refers to operating both routes with a single shared vehicle, alternating the service pattern with each one-way trip.

- **Microtransit.** The current SSTMA microtransit service, Lake Link, has proven to be a popular service, with high ridership (over 300 average daily boardings) and high utilization (average of more than five passenger boardings per vehicle hour.) We propose two alternatives for the Lake Link service: either expanding the current microtransit pilot to encompass the remainder of the City of South Lake Tahoe or, alternatively, a larger expansion encompassing South Lake Tahoe as well as the community of Meyers.
- **Commingling with ADA paratransit**. We also recommend pairing either of these expansions with the commingling, or consolidation, of TTD's ADA paratransit service with microtransit. Our simulations described below indicate that the Lake Link service, if expanded citywide, has capacity to deliver TTD's ADA Paratransit trips without requiring additional vehicles. This approach involves the pooling of both ADA and non-ADA customer trips into existing Lake Link vehicles, so that the combined Lake Link/ADA paratransit vehicle fleet serves both categories of demand-response trips, including microtransit and ADA paratransit. Commingling microtransit and paratransit trips can improve the overall efficiency of demand-response service. Primarily, using the same vehicles to transport paratransit and microtransit customers can lead to higher levels of passenger aggregation, and improve the overall productivity of service. Further, TTD has the opportunity to streamline the administration of demand-response services, potentially using a single administrative structure and software platform to manage both services. Doing so could reduce the administrative burden of managing separate services.

10.1 Fixed-route alternatives

A series of changes to fixed-route alternatives are recommended to improve access to public transportation in the South Shore area. The following section outlines four proposed changes to fixed-route service in South Lake Tahoe, including estimates of key performance indicators as well as annual operating costs under each scenario. The team used Remix Transit planning software to model the estimated impacts of proposed fixed-route network changes. These changes are contrasted with the characteristics of the two existing TTD routes operating in South Lake Tahoe, described below.

10.1.1 Existing Conditions

Route 50 serves as the primary trunk line along US-50, operating between the South Y and Stateline Transit Center with intermediate stops at LTCC and Barton Hospital. Service operates between 6:30am and 7:40pm, seven days a week, with frequency ranging from about 30 minutes (alternating sequences of 20-40 minute headways) between 8:20am and 5:40pm and 60-minute frequencies from 6:30am to 8:20am and 5:40pm to 7:40pm. Service on Route 50 is fairly direct and covers many of the major destinations driving transit ridership in the South Shore, including casinos and resorts near Stateline, shopping centers along US-50, students at LTCC, and patients and employees at Barton Hospital. The route is highly productive by standards of fixed-route bus operations, serving nearly 24 passengers per revenue-hour, more than double that of Route 55.

Compared to Route 50, Route 55 offers less direct, less productive, and less frequent service. Route 55 operates at 60-minute headways throughout the day, seven days a week, from 6am to

5pm. East of LTCC, Route 55 is designed to provide neighborhood coverage, with short walking distances to stops (due to several deviations from primary corridors), for residents of the Bijou Park area. West of LTCC, Route 55 provides complimentary service along US-50 to South Y, a corridor it shares with Route 50.

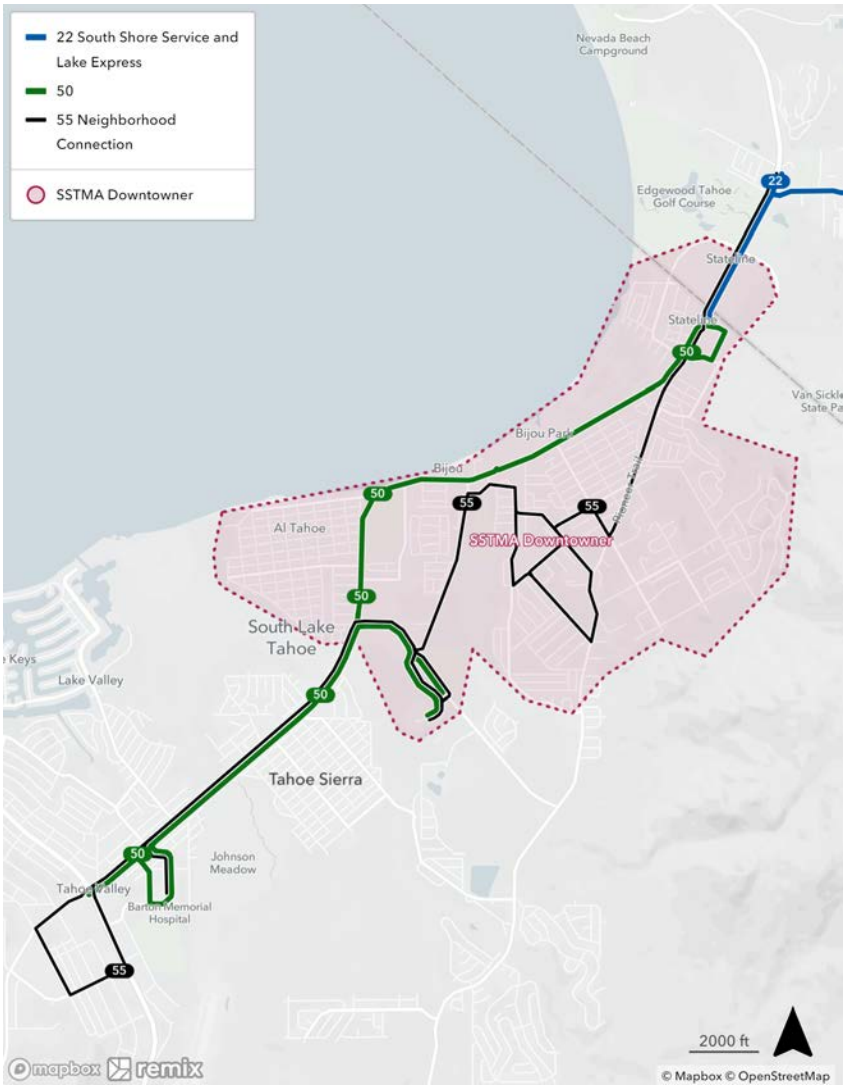


Figure 33. Existing transit services in South Shore

	Route 50	Route 55	Total
Round-trip Cycle Time (mins.)	42.3	94.6	
Avg. Weekday Ridership	401	229	**630**
Annual Ridership[8]	144,000	83,000	**227,000**
Annual Revenue-Hours	6,100	7,800	**13,900**

[8] Based on TTD ridership data from April 2021 - March 2022.

	Route 50	Route 55	Total
Productivity (passenger boardings per revenue-hour)	23.6	10.5	**16.2**
Avg. Frequency (Minutes)	34	60	
Vehicles in Service	2	2	**4**
Service Window	6:30am - 7:40pm	6am - 5pm	
Est. Annual Operating Cost[9]	$810,000	$1.05 million	**$1.86 million**
Est. Cost per Passenger Trip	$5.64	$12.70	**$8.21**

Table 7. Operating characteristics of existing fixed-route service in South Lake Tahoe

10.1.2 Option 1 — South Shore Rapid

This option fundamentally redesigns fixed-route service in South Lake Tahoe by re-allocating one vehicle from Route 55 to Route 50, creating a frequent transit spine that operates at 20-minute frequencies throughout the day. To enact this change, Route 55 is truncated at LTCC, operating on a streamlined segment between LTCC and Kingsbury Transit Center, via Johnson Boulevard and Pioneer Trail. This shorter segment, which maintains neighborhood coverage to the Bijou Park area, can be operated with a single vehicle at its current 60-minute frequency rather than the two vehicles required to operate its current longer alignment between South Y and Kingsbury Transit Center. By reducing the revenue-hours required to operate Route 55, in removing the duplicative segment currently shared with Route 50 between LTCC and South Y, Route 55 becomes more productive, with an average estimated productivity of service of 13 passengers per revenue-hour, up from 11 today. This estimate assumes that ridership is split evenly between segments east and west of LTCC.

[9] Assumes an hourly operating expense of $133.08 for local fixed-route bus service, the same rate reported by TTD for FY 2020 in the agency's NTD reporting.

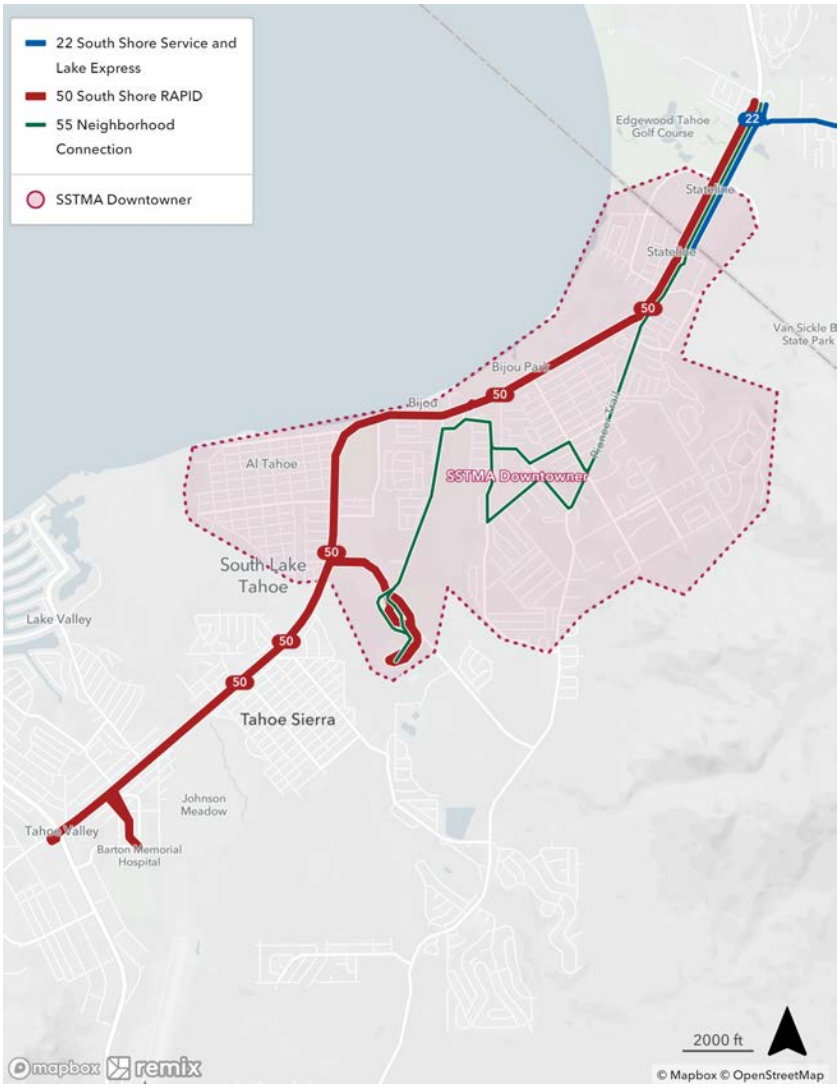


Figure 34. Option 1: South Shore Rapid

The most transformative impact is the creation of a frequent service corridor, Route 50, connecting the primary destinations of South Lake Tahoe along the full length of US-050. This change may also result in a modest increase in estimated annual ridership of about 15%, as more frequent service on Route 50 could attract s ridership at higher rates. However, the shift of one vehicle from Route 55 to Route 50, which has longer hours of operation, results in an estimated operating cost increase of about 17%, meaning that costs per passenger trip in this scenario will not significantly change (assuming an increase in ridership).

	Route 50 (South Shore Rapid)	Route 55 (Neighborhood Connector)	Total
Round-trip Cycle Time (mins.)	42.3	48.7	
Est. Average Weekday Ridership	597	131	**727**

	Route 50 (South Shore Rapid)	Route 55 (Neighborhood Connector)	Total
Est. Annual Ridership[10]	215,000	47,000	**262,000**
Est. Annual Revenue-Hours	12,700	3,600	**16,300**
Est. Productivity	16.9	13.2	**16.1**
Average Frequency (mins.)	20	60	
Vehicles in Service	3	1	**4**
Service Window	6:30am - 8pm	6am - 5pm	
Est. Annual Operating Cost	$1.69 million	$480,000	**$2.17 million**
Est. Cost per Passenger Trip	$7.88	$10.11	**$8.28**

Table 8. Operating characteristics of Option 1

10.1.3 Option 1A — South Shore Rapid with Longer Service Window

This option uses the same route geometry as Option 1 but extends the hours of operation to 9pm in the evening, matching the service window of the Lake Link microtransit service. This longer service window will facilitate a wider range of trips via public transit, particularly non-commute and recreational trips.

	Route 50 (South Shore Rapid)	Route 55 (Neighborhood Connector)	Total
Round-trip Cycle Time (mins.)	42.3	48.7	
Est. Average Weekday Ridership	640	174	**814**
Est. Annual Ridership	231,000	63,000	**294,000**
Est. Annual Revenue-Hours	13,700	4,800	**18,500**
Est. Productivity	16.9	13.2	**16.1**
Average Frequency (mins.)	20	60	
Vehicles in Service	3	1	**4**
Service Window	6:30am - 9pm	6am - 9pm	

[10] Assumes 360 service days per year. Saturday and Sunday ridership are assumed to be half of weekday ridership.

	Route 50 (South Shore Rapid)	Route 55 (Neighborhood Connector)	Total
Est. Annual Operating Cost	$1.82 million	$630,000	**$2.45 million**
Est. Cost per Passenger Trip	$7.88	$10.11	**$8.36**

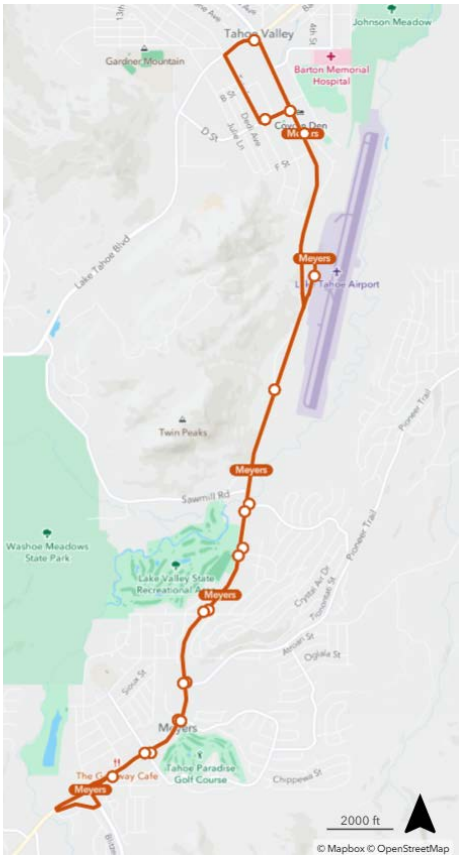
Table 9. Operating characteristics of Option 1A

10.1.4 Option 2 — West Side Connector

This option addresses the need for fixed-route service between South Lake Tahoe and Meyers, between the South Y and US-50/Meyers Visitors Center (near Luther Pass Road). The route includes a key intermediate stop at South Lake Tahoe Airport and City Hall, destinations which currently lack public transportation. Because of the lower population and employment density in this corridor, as well as the relative lack of key destinations driving travel demand, ridership on the corridor is expected to be relatively low, with about 22,000 annual boardings. A single vehicle, operating at hourly frequency, can serve the corridor from 6am to 7pm. Estimated operating costs for this corridor are $530,000 per year, with a cost per passenger trip of about $24. This cost per passenger trip is significantly higher than the fixed-route alternatives proposed for Routes 50 and 55 due to the lower ridership expected on this corridor. A map of the proposed route is shown below.

	West Side Connector
Round-trip Cycle Time (mins.)	47.2
Est. Average Weekday Ridership	61
Est. Annual Ridership	22,000
Est. Annual Revenue-Hours	4,000
Est. Productivity	5.5
Average Frequency (mins.)	60
Vehicles in Service	1
Service Window	6am - 7pm
Est. Annual Operating Cost	$530,000
Est. Cost per Passenger Trip	$24.38

Table 10. Operating characteristics of Option 2



10.1.5 Option 3 — Kiva Beach Express / Zephyr Cove Express

Option 3 proposes two seasonal, recreation-oriented, fixed-route services operating on two corridors: South Y to Kiva Beach, and Stateline Transit Center to Zephyr Cove Resort. These services address key service gaps in the transit network indicated during stakeholder interviews, where parking constraints often limit recreational opportunities for South Shore residents and visitors. The Kiva Beach route contains intermediate stops at Pope Beach, Taylors Creek Visitors Center, and Camp Richardson, as well as several other stops along SR-89 in the Tallac Village neighborhood. The Zephyr Cove service contains two intermediate stops at the Stateline Amtrak bus station and Lincoln Hill shopping center, in the Round Hill Village neighborhood. Similar to TTD's East Shore Express service, between Incline Village and Sand Harbor State Park,[11] These recreational services would primarily serve beachgoers and other park patrons.

The two recreational services are likely to serve relatively low levels of ridership during their seasonal operations from Memorial Day to Labor Day, with 22 and 32 estimated average daily boardings, respectively. The relatively short round-trip cycle times of each route, however, enable the two services to be interlined with a single vehicle if each service is operated at 120-minute frequency. In this setup, the Kiva Beach route would operate its first run during the 8am hour, followed by a Zephyr Cove run during the 9am hour, another Kiva Beach run during the 10am hour, and so on. This arrangement right-sizes the services to their anticipated low levels of ridership, helping to minimize operating costs and keep the services relatively cost-effective, with an average cost per passenger trip of about $19. Maps of each service alternative are shown below.

	Kiva Beach Express	Zephyr Cove Express
Round-trip Cycle Time (mins.)	40.7	36.1
Est. Average Weekday Ridership	22	32
Est. Annual Ridership	2,200	3,200
Est. Annual Revenue-Hours	400	400
Est. Productivity	5.4	8.8
Average Frequency (mins.)	120	120
Vehicles in Service	1 (interlined)	
Service Window	8am - 7pm	
Est. Annual Operating Cost	$100,000	
Est. Average Cost per Passenger Trip	$18.99	

[11] From June 25 to September 5, 2022, TTD operated the East Shore Express service (also known as Route 28) on SR-28. The service operated from 2012 to 2019 and resumed operating in 2022 after suspension in 2020-2021 seasons due to the COVID-19 pandemic.

Table 11. Operating characteristics of Option 3

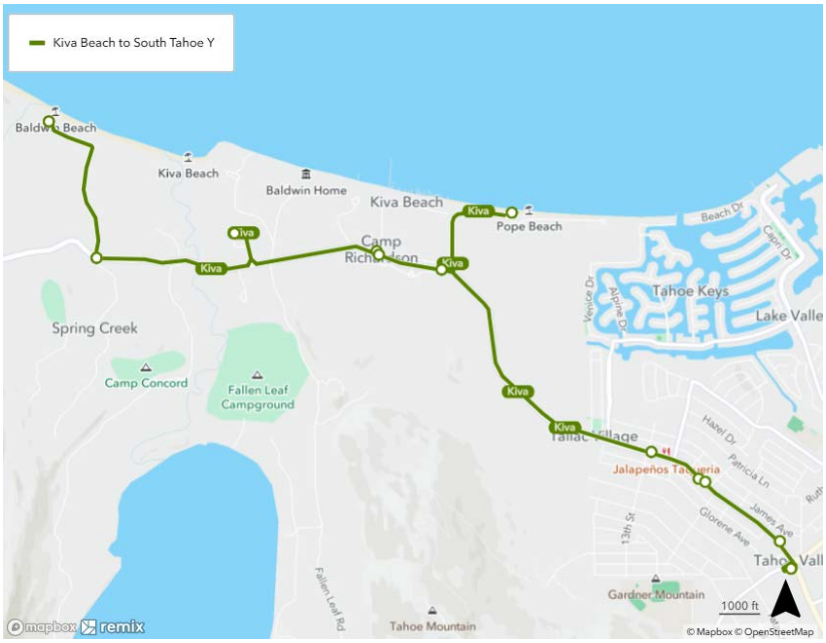


Figure 35. Above: Potential Kiva Beach Express route. Below: Potential Zephyr Cove Express route.

10.2 Microtransit alternatives

Microtransit, also known as "on-demand transit," features flexible routing and flexible scheduling of vehicles, typically booked through a smartphone application or by calling a dispatcher. Microtransit operators design services to match passenger demand (trips) with supply (vehicles) to improve the efficiency and reach of the transit system in lower-density areas. Possible pickup/dropoff locations are restricted to maximize the efficiency of service, usually within a geofenced area, known as the "service zone." Vehicle type can vary, but microtransit is often operated by a van or minibus, typically with capacity for 6 - 12 passengers. Currently, Lake Link operates as an on-demand microtransit service with a fleet of four vehicles, each with a capacity of 9-12 passengers (2 are wheelchair-accessible).

Microtransit services operate within a predefined coverage zone, and riders can only request trips that have both their origin and destination within this zone. The project team identified potential microtransit zones based on the following considerations:

- **Study goals.** The primary goal for this study is to identify service alternatives that meet the transit needs of the South Lake Tahoe community that includes connectivity to regional transit across state and county lines and identifies opportunities to prioritize electrification.
- **Points of interest.** These are trip generators that include large employers, schools, grocery stores, medical centers, shopping centers and civic destinations (described in 3.2.1 Area POIs.) Zone boundaries have been drawn to ensure that a range of key points of interest are included within each alternative.

- **Mix of employment, residential and retail land uses.** Zones with a mix of residential and commercial areas are more likely to provide useful trips to riders. Different types of destinations and a mix of use cases typically lead to a more evenly distributed demand for trips throughout the day, ensuring a more uniform quality of service for riders regardless of when they need to travel.
- **Zone size.** Most successful microtransit zones range from five to 30 square miles in size. Microtransit zones that are too small limit the attractiveness of a service and offer few destinations or viable trips for riders, while very large zones require larger fleets, lengthen trip times, and are more expensive to operate. Terrain also must be considered when determining zone size, as challenging topography and road access issues limit expansion to new areas.

10.2.1 Service design guide

In an **on-demand microtransit service** model such as that currently used by the Lake Link service, riders book their trip requests at the time they need to travel and are quoted a short wait time, typically 10-20 minutes and no more than a maximum passenger wait time determined as part of the service design. The rider is quoted an estimated wait time and decides they would like to confirm the trip request. Riders then receive a trip booking confirmation via email or text and are able to track the vehicle on the mobile app until the vehicle has arrived.

In some services, microtransit is operated as a **pre-scheduled service**, in which passengers must book and pay for their journeys ahead of time, from 24 hours to several weeks in advance. This approach enables transit agencies to further increase the efficiency of the service, by sequencing passenger pickups and dropoffs in advance and potentially reducing the fleet required to serve the ridership; however, this approach sacrifices some degree of flexibility in operations due to potential service disruptions (e.g. from a late driver or vehicle malfunction) as well as the spontaneity of a dynamic service that allows passengers to book at the time they wish to travel.

Some microtransit operators also offer a **hybrid approach** that blends on-demand and pre-scheduled microtransit. This approach is functionally a microtransit platform whose default setting is on-demand microtransit but which also offers customers the option of pre-booking their trips. Adding the pre-booking option increases the accessibility and uptake of the service, particularly among rider groups who may not be able to (or feel comfortable with) booking trips on-demand. This enables the service to broaden its appeal to a wider share of potential public transport customers. Pre-booking is also essential for passengers with disabilities (e.g. existing ADA-eligible customers) who need to book recurring and time-sensitive journeys for certain trip types, such as medical or dialysis appointments, where on-demand microtransit may not be appropriate. Even though the number of such passengers in the South Lake Tahoe area may be relatively small, these riders are often among the most reliant on public transportation of any group.

For an expanded Lake Link microtransit service, we recommend a hybrid service model that blends on-demand and pre-scheduled microtransit, to accommodate the need for advance trip reservations for ADA paratransit customers and other high-need populations while continuing to

offer on-demand customers a high degree of spontaneity. To limit the impact of passenger no-shows or cancellations on broader service performance, we **recommend limiting the pre-booking option to registered ADA paratransit customers.**

One example of the hybrid approach is shown in the case study below, from Valdosta, Georgia. If passengers prefer to book on-demand rides, they will input their origin and destination in the mobile application (or by calling a customer service center), and they will select from two ride proposals before confirming the booking, as shown in the screenshot below. Passengers can select between the real-time and pre-scheduling options by toggling the button shown in red before booking a ride.

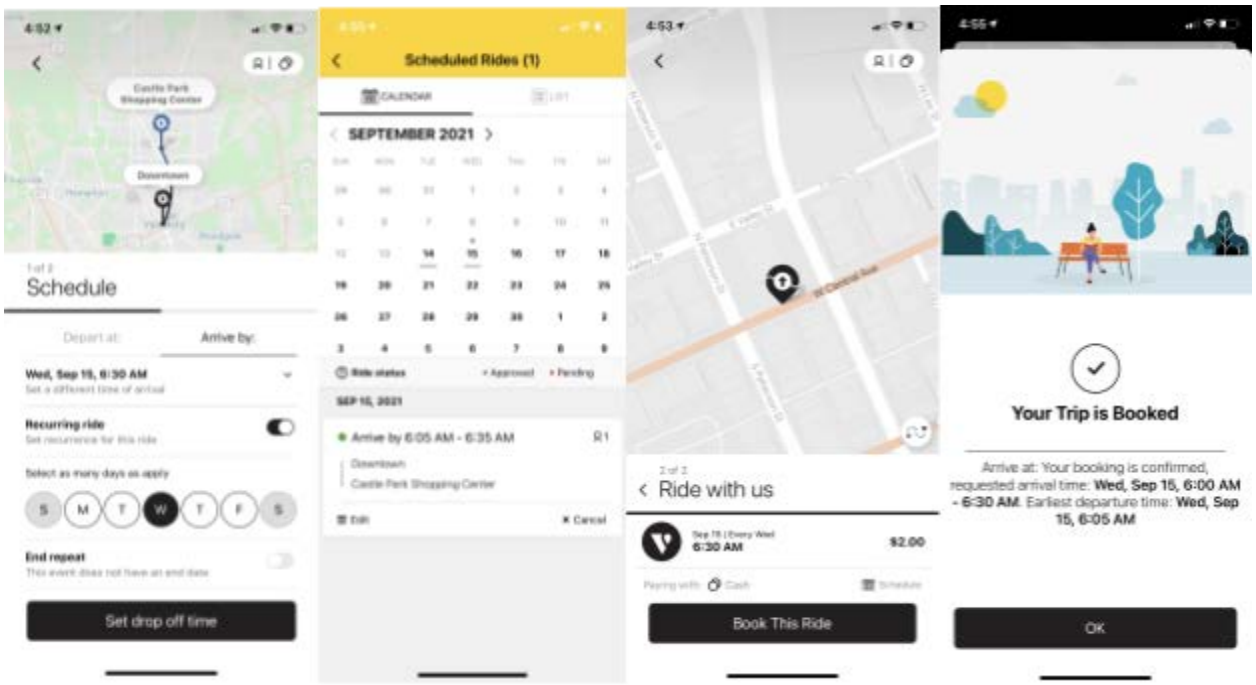


Figure 37. Screenshot showing hybrid approach with pre-scheduled and on-demand booking.
Source: Via

Another example of the hybrid approach involves the commingling, or consolidation, of on-demand microtransit with ADA paratransit and/or non-emergency medical transportation (NEMT), while maintaining distinct business rules for each rider group. This approach shares software, drivers, and vehicle fleets across the three service types while maintaining distinct reservation, fare payment, and service policies that reflect the unique needs of each customer group. Commingling enables drivers to pick up riders across different service types within the same shift using the same vehicle, reducing agency operating costs.

Golden Empire Transit (GET) in Bakersfield, California, launched its GET On Demand microtransit service in October 2020, with on-demand rides available to the general public in a smaller, microtransit zone within the larger ADA paratransit eligibility area.[12] Cash, credit/debit card, or GET-issued tickets are accepted payment for microtransit fares, which are roughly double the ADA

[12] https://www.getbus.org/ondemand/

paratransit fares for rides of similar distances. In 2021, the agency introduced commingling with its ADA paratransit service, GET On Demand Assist, which offers ADA-eligible customers pre-booked rides and accepts fares in cash or GET-issued tickets.[13] Shortly thereafter, GET introduced commingling with its NEMT services for Medicaid-eligible patients traveling to or from medical appointments. As a result of commingling, GET has seen improved cost-effectiveness of its demand-response services, with 15% more passengers per hour in vehicles that serve commingled trips. Likewise, 15% of ADA customers have used the On Demand microtransit service, which has provided them a same-day transportation option unavailable under the older ADA paratransit service. Further description of the parameters of commingled microtransit/paratransit/NEMT services is shown in the table below.

	NEMT	PARATRANSIT	MICROTRANSIT
Service objective	Provide pre-booked and on-demand rides to/from medical appointments.	Provide ADA-compliant, pre-booked rides to eligible riders, migrating data from previous system	Provide shared, on-demand general transportation, migrating data from previous provider
Rider creation	Daily bulk uploads by agent	Created by agent	Created by agent or in-app
Rider pay	No payment	Cash / Ticket	Credit card / Cash / Ticket
Walking distance	Door-to-door	Door-to-door	Door-to-door
Service zone	Large + hospital	Large	Small
Agent	Single platform with filters and clear service disctinctions		
Driver	Single platform with filters and clear service disctinctions		

Figure 38. Hybrid service parameters for commingled microtransit services

Source: Via

Quality of service parameters

Each microtransit service defines the optimal configuration for achieving service quality and cost-effectiveness targets. These inputs—like fleet size, vehicle capacity, optimal wait times, — are those adjusted most frequently in the months following the launch of a new service such as Lake Link.

Key quality of service parameters are described below:

- **Service availability.** When a rider requests a trip, the microtransit service will provide them with a proposal that indicates how much time it will take for a vehicle to meet them at the pickup point. During especially busy times, there may not be sufficient vehicles to pick up a passenger in a reasonable amount of time due to prior trip commitments. If a passenger has to wait longer than a certain threshold (e.g., 25 or 30 minutes), the service is considered 'unavailable' for on-demand booking. We recommend setting a maximum wait time of 30 minutes, beyond which the trip is considered 'not available' or 'denied'. For a pre-scheduled service, when passengers cannot be provided with a time that falls within one hour of their desired pickup or dropoff time when attempting to book, that trip should

[13] https://www.getbus.org/on-demand-assist/

be considered unavailable. The percentage of trips that exceed this threshold should be measured; if it exceeds a few percentage points, adjustments to the service should be made to increase service availability. A high-quality service should complete the vast majority of trips (90% or more), while a poor service will have a denied trip rate of 10% or more.

- **Wait times.** Wait time is the time a passenger waits after requesting a vehicle and applies mainly for on-demand services.[14] By operating more vehicles, the microtransit service can reduce the average wait time a passenger experiences, but this will come at an additional cost. Lower wait times generate higher ridership, and longer wait times will mean fewer riders use the service. We recommend aligning wait time minutes to 10-15 minutes and maximum wait times are set not to exceed 30 minutes.
- **Bus stop model.** Several different stop models for passengers are available, each of which affect the efficiency of the service and customer satisfaction. The different models are:[15]
    - *Curb-to-curb.* In this stop model, microtransit vehicles can pick up passengers directly outside their requested pick up address and drop them off directly outside their requested dropoff address. This model is being used for the Lake Link service, and is recommended for continued use, as a key finding from the chapter was the widespread lack of sidewalk facilities or safe pedestrian crossings at major intersections throughout the study area. These conditions make it difficult for the corner-to-corner stop model, described below, to functionally serve passengers.
    - *Door-to-door*. Some services also offer door-to-door service for riders with disabilities, which requires drivers to escort passengers to and from the entrances of their origins and destinations, upon request. While this is an essential service for some passengers with disabilities, this model does require additional driver training, which can raise the cost to operate the service.
    - *Corner-to-corner.* This model requires that passengers walk to a nearby corner to meet their vehicle at pickup as well as walk from their dropoff location to their final destination. Walking distances typically average between 400 and 800 feet, with maximum walking distances of ¼ mile. This maximum distance threshold is also traditionally known as the maximum distance that riders will walk to access local bus service. Requiring passengers to walk to a nearby intersection, where feasible, improves the overall efficiency of service. However, due to the lack of sidewalk facilities and safe pedestrian crossings in many parts of the service area, we do not recommend this approach at this time.
- **Walking distances.** Walking distance is the distance riders are required to walk to meet their vehicle, between their request location and pickup point and between their dropoff location and their final destination. Walking distances are a direct function of the Bus Stop Model for the service. Curb-to-curb and corner-to-corner are the more common stop models. In a curb-to-curb service, riders are offered service to and from their destinations directly, so the walking distance is negligible and this parameter is not applicable. In a corner-to-corner stop model, riders are asked to walk a short distance to the nearest

[14] In pre-scheduled microtransit services, riders are provided with an approximate pickup window, often 30 minutes duration, after requesting their trip. Wait times are not relevant for pre-scheduled services.

[15] An additional bus-stop-to-bus-model is also used in some microtransit services that operate in areas with comprehensive fixed-route bus network coverage. In this model, passenger trips must begin and end at existing fixed-route bus stops. However, this model is not appropriate for the Kennett Area because the SCCOOT service detailed in Section 2.3 is the area's only fixed-route bus service, with limited coverage that would dramatically limit the utility of this stop model.

pickup location and from their dropoff location to their final destination. Corner-to-corner stop model walking distances tend to be in the range of 400-800 feet, with a maximum walking distance set at ¼ mile. If no safe pickup location is available within ¼ mile (and likewise for the distance between dropoff location and requested destination), the rider's trip request will be denied.

- **Detour allowance.** Detour allowance is the relative and absolute detour that a vehicle can take to complete other trips when a passenger is on-board. If the detour exceeds the maximum allowance, any additional trips will not be assigned to a vehicle. In practice, the average detour is typically much lower than the maximum detour.
- **Vehicle selection.** Vehicles must be large enough to accommodate multiple passengers comfortably. They must also be large enough to potentially be retrofitted to enable wheelchair ramp installation, to offer ADA-compliant service to passengers with disabilities. Most microtransit services use vehicles with a passenger capacity of between 6 and 15 passengers, beyond which higher operating costs are incurred due to increasing vehicle and driver training costs. Lake Link currently uses 9-12 passenger vans, which is in line with industry best practice.

The two zones under consideration for this study are described below.

10.2.2 Zone 1 - Citywide Expansion

Zone 1 encompasses the entirety of the municipality of South Lake Tahoe. It extends the current microtransit pilot zone out west towards Tallac Village just before Camp Richardson, and south until City Hall. This zone has an area of 11.8 square miles, with a population density of 1,900 residents per square mile and an employment density of 700 jobs per square mile. Key activity centers in this zone that are not included in the current Lake Link pilot service zone are South Y Transit Center, Barton Memorial Hospital, City Hall, South Tahoe High School, and Grocery Outlet Bargain Market. The majority of passenger trips are likely to be contained between Stateline and the eastern portion of US Highway 50, but there are also likely to be trips to and from the South Y Transit Center, Lake Tahoe Community College, Barton Memorial Hospital, and Heavenly Mountain Resort's California Lodge base.

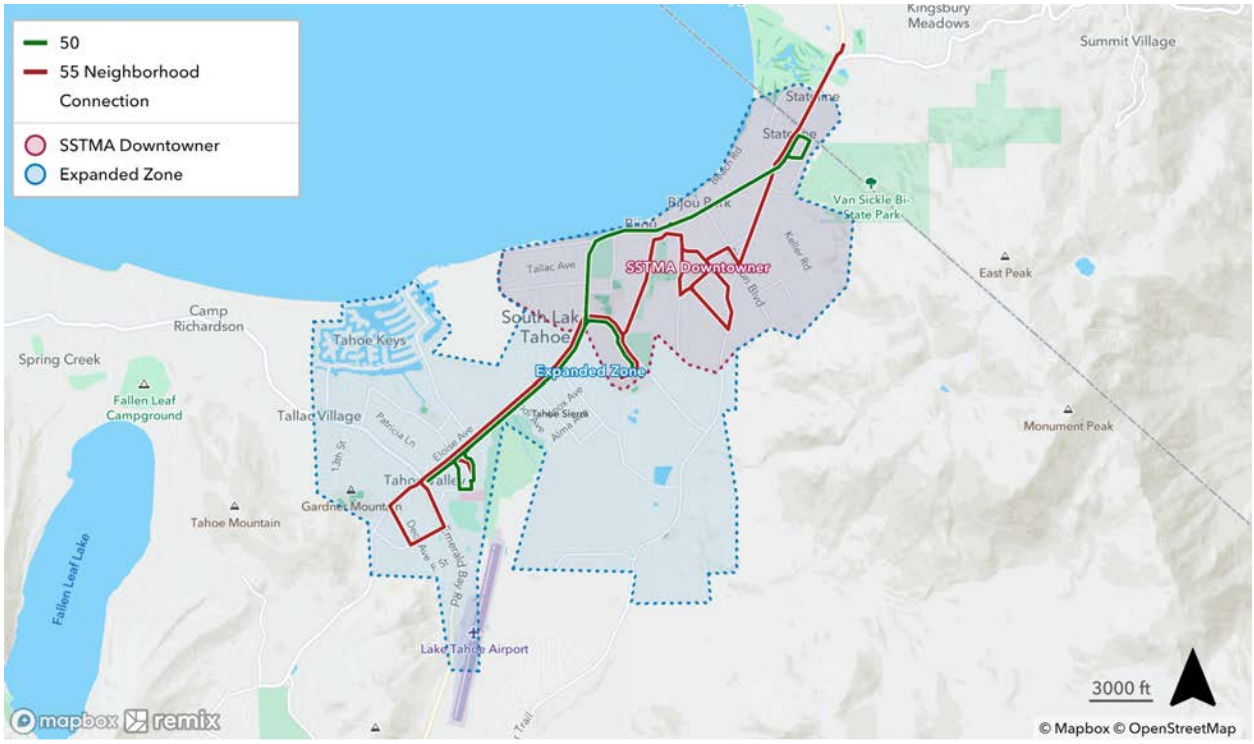


Figure 39. Service area map of Zone 1.

10.2.3 Zone 1A - Zone 1 commingled with ADA paratransit

Zone 1A is the same geographic area as Zone 1, but will include a slightly higher demand scenario in which Lake Link and ADA paratransit services commingled, in which passenger trips and vehicles are shared among ADA and non-ADA trips. Passenger trips are expected to have a similar spatial distribution throughout the city, with about 10% of average daily ridership coming from ADA paratransit customers (about 40 per day, as discussed in 4.2.1 Paratransit Travel Patterns) and the remaining 90% among general-public customers. .

10.2.4 Zone 2 - Citywide Expansion + Meyers

Zone 2 is inclusive of Zone 1 but is extended further beyond City Hall to include the community of Meyers. This zone has an area of 18.6 square miles, with a population density of 1,400 residents per square mile and an employment density of 400 jobs per square mile. Additional points of interest not included in Zone 1 include a handful of small businesses along US-50 south of Lake Tahoe Airport (e.g. Holiday Market, The Gateway Cafe), Tahoe Paradise Park, and the Meyers Post Office. The majority of passenger trips are still likely to follow similar demand patterns as in Zone 1, with the bulk of trip requests beginning and ending within the existing Lake Link microtransit zone.

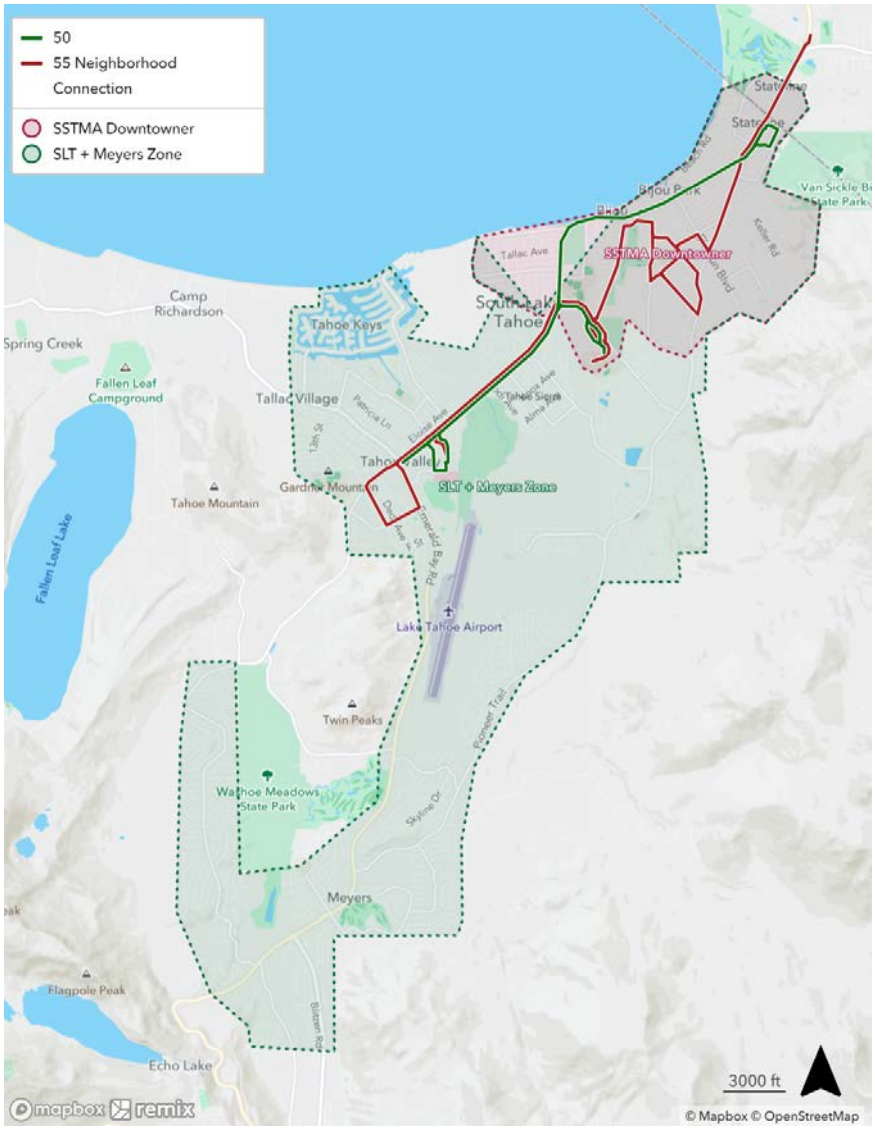


Figure 40. Service area map of Zone 2.

10.2.5 Zone 2A - Zone 2 commingled with ADA paratransit

Zone 2A is the same geographic area as Zone 2, but consists of a commingled microtransit and ADA paratransit service, with pooled customer trips shared among a common vehicle fleet. As with Zone 1A, the vast majority of ridership in this zone is expected to be among non-ADA (general-public) customers.

10.2.6 Ridership estimation

A microtransit service's ridership affects important outcomes such as the size of the vehicle fleet required to operate a particular quality of service, as well as the level of funding required for operations. Ridership estimates were informed by current ridership totals observed for SSTMA microtransit pilot as well as observed ridership patterns in other small North American cities and rural areas with similar characteristics to South Lake Tahoe. For each zone, we developed a low,

medium, and high ridership scenario to account for the uncertainty inherent in estimating travel demand. This approach recognizes that ridership can be affected by many qualitative as well as quantitative factors, such as a transit agency's fare policy, marketing and customer outreach, and the extent of its service and technology integration with other transit services, to name just a few.

We have made some assumptions about demand distributions—that 60% of trips begin or end within the area along the US-50 corridor between Al Tahoe Boulevard and Heavenly Village, while the remainder of trips are generated by the South Y Transit Center, LTCC, Barton Hospital, and Heavenly Mountain Resort's California Lodge base. These three low-, medium-, and high-demand scenarios are described below.

- **Low-Demand.** This scenario assumes the service does not perform as well as comparable peer microtransit services. Common reasons for lower ridership outcomes could include poor marketing, lack of community support, poor stakeholder relationships (e.g. with major employers), or unforeseen technological or operational challenges that affect the quality of service.

- **Medium-Demand.** The medium scenario represents the project team's best estimate of ridership within 6-12 months of operation, at a rate similar to the average of its peer services.

- **High-Demand.** This scenario assumes the service is more popular than most of its peers. Common reasons for an especially high-ridership microtransit service include strong community support, strong stakeholder and employer relationships (often employers are strong advocates of the service), fare-free service, or highly effective marketing campaigns.

Low, medium, and high ridership estimates are shown in the table below. Weekday ridership estimates assume hours of operation from 7am to 9pm Sunday-Thursday, and 7am to 10pm Friday and Saturday, a service span that matches the current hours of the Lake Link service.

Microtransit Zone	Estimated weekday ridership			Estimated annual ridership		
	Low	Medium	High	Low	Medium	High
Zone 1: Citywide Expansion	310	450	600	96,000	137,000	185,000
Zone 1A: Zone 1 Commingled with ADA Paratransit	350	490	640	107,000	149,000	198,000
Zone 2: Citywide Expansion + Meyers	330	480	660	102,000	147,000	202,000
Zone 2A: Zone 2 Commingled with ADA Paratransit	370	520	700	113,871	159,000	214,000

Table 12. Ridership estimates for each zone.

10.2.7 Simulation setup

Using the information gathered during the previous steps, the project team conducted microtransit simulations to determine the quality of service riders would experience under various fleet sizes and levels of ridership. This technical exercise leveraged Via's proprietary agent-based simulation tool, which allows us to predict how different zones and fleet configurations will perform as real microtransit services. Below we outline the basic steps we used to simulate the proposed microtransit zones:

1. **Upload microtransit service zone polygons.** The origins and destinations of all trips are limited to these zones, described in 10.1 Microtransit zone alternatives.
2. **Generate underlying road map** by pulling vector geometry data within the service zone boundaries from OpenStreetMap, including all roads categorized by functional classification, turn restrictions, directionality, and street walkability and drivability information.
3. **Determine traffic speeds** by querying Google's Maps APIs for traffic speeds specific to the time of day during which the service is being simulated. This ensures that wait times and trip times of the simulated service reflect real-world traffic conditions at the time of day for which service is being modeled. We simulated service during peak hours to show a realistic estimate of the impact of traffic congestion.
4. **Set "terminals,"** to designate staging areas for vehicles that do not have active ride assignments. Terminals are safe parking areas that are distributed throughout the service zone, typically at large shopping centers or public parking facilities. When empty, vehicles will be routed to the terminal where the system has predicted demand. This ensures that each vehicle is used efficiently and that passengers will benefit from the shortest possible wait times. For this exercise, we set three terminals: Lake Tahoe Community College (where there already is an EV charging station as well as transfer point for both routes), South Y Transit Center, and Stateline Transit Center.
5. **Create demand scenario(s)** to simulate the number and types of trip requests we expect to see in a given zone. Using information gathered in the demand analysis phase, ridership patterns reported from the SSTMA Lake Link service, and fundamentals derived from Via's fixed route and microtransit operations experience, we can estimate travel patterns within the zone, and input them into the simulation tool. Service has been simulated for the entire operating window.
6. **Set key service parameters** by determining the optimal configuration for achieving service quality and cost-effectiveness targets. These inputs — like fleet size, vehicle capacity, optimal wait times, — are those we adjust most frequently when creating and iterating upon a new service. Some of these recommended key service parameters are described in 9.1.1 Service design guide.

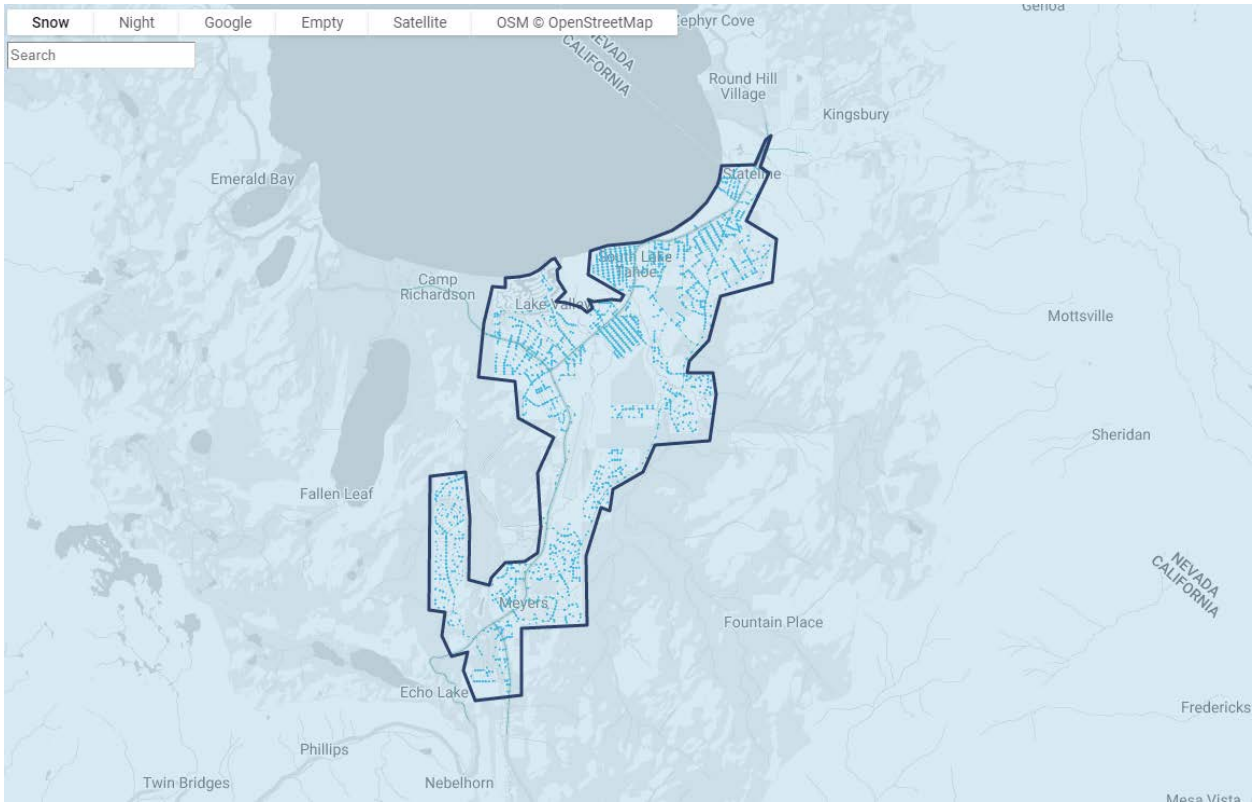


Figure 41. Screenshot of Norgay simulation tool.

After these variables are set, the scenario is ready to run. We perform a number of different simulations for each zone, demonstrating how adjusting service parameters will impact the quality of service, capacity, and efficiency. We iterate simulations with different parameters to assess:

- Impact of total zone size and shape on quality of service
- Impact of overall service design on the performance of the transport network
- Impact of additional (or fewer) vehicles and quality of service
- Impact of shorter or longer permissible passenger wait times and vehicle detours on fleet requirements
- Impact of increasing or decreasing permissible walk distance and system efficiency

10.2.8 Simulation results

A table showing the results of microtransit simulations in each of the proposed service zones is shown in the following section. These results include the following key metrics used to evaluate the performance of simulated service in each zone, related to quality of service, efficiency, and the fleet required to operate the service (using quality of service parameters specified in 9.1.1 Service design guide.

- **Estimated weekday ridership.** This figure is based on the ridership estimates for each zone, prepared as part of Section 9.1.6 Ridership estimation. The three rows in the following tables represent the low, medium, and high-demand scenarios and their corresponding impacts upon all other metrics described.

- **Number of vehicles required.** This is understood as the number of vehicles needed to serve all ride requests, assuming that each weekday ride request results in a completed passenger trip. In real microtransit services, a nominal percentage of ride requests result in no-shows or cancellations from riders who do not successfully complete a trip.
- **Average wait times.** This refers to the average time, in minutes, that passengers wait to be picked up by a vehicle, from the time they book their trip to the time the vehicle arrives at the curb.
- **Average trip duration.** Length of the trip, in minutes, from the pickup to dropoff.
- **Utilization.** This metric is defined as the number of passenger trips served per vehicle-hour and is similar to how public transit agencies typically define productivity of service, in passenger boardings per revenue-hour.[16]
- **Shared-ride duration percentage.** This is the percentage of time that vehicles are occupied by more than one passenger. A high shared-ride duration percentage is a key indicator of effective aggregation of passenger demand, and therefore relatively efficient microtransit service.
- **Operating cost per passenger trip.** This figure is a ratio of the total operating cost of microtransit service divided by the number of completed rides. We estimate that each vehicle-hour of microtransit costs between $80 and $90, depending on the number of vehicles in the service. The low-to-high ranges show the estimated operating expense per passenger trip. These costs are based upon Via's operational experience and take into account recent inflation and supply chain challenges. This cost range assumes a third party microtransit operator is contracted to provide the service. This cost excludes the impact of any potential fare revenues (assuming the service remains fare-free) or other adjustments.

10.2.9 Zone 1 - Citywide Expansion

In Zone 1, between four and six vehicles would be needed, depending on the level of demand. Because the zone is compact, most trip durations would be relatively short, about 8-9 minutes on average. Average passenger wait times would range from 11 to 13 minutes. The expected utilization of microtransit service in this zone is 5.4-7.0 passenger boardings per vehicle-hour, depending on the demand scenario. The shared-ride duration percentage in each scenario is expected to be between 48% and 63%, a typical range for a popular microtransit service with utilization of more than five passengers per vehicle-hour. Estimate operating costs per passenger trip range from about $11, in the high-demand scenario, to $17, in the low-demand scenario.[17]

Demand Scenarios	Daily Ridership	Fleet Size	Average Passenger Wait Time	Average Daily Utilization	Average Ride Duration	Shared-Ride Duration Percentage	Cost per Passenger Trip
	Trips per day	*Number of vehicles*	*Minutes from request to pickup*	*Passenger boardings per vehicle-hour*	*Minutes*	*Percent of vehicle-time with multiple*	*Gross operating cost per passenger*

[16] The difference in the two denominators is that in microtransit services, a small portion of vehicle-hours at the beginning and end of driver shifts are zero-passenger time spent traveling between terminals and the first rider pickup or dropoff. This time would be counted as dead-head in fixed-route bus service and excluded from the revenue-hours denominator, and as a result utilization figures are often 10-30% lower than their equivalent productivity of service figures as reported to the FTA National Transit Database.

[17] These costs per passenger trip are comparable to TTD's cost per trip, which averaged $12.01 on its local bus services, according to its NTD reporting for FY 2020.

						passengers	*trip ($)*
Low	310	4	11	5.4	8.5	48%	$16.72
Medium	460	5	11	6.2	8.8	58%	$13.72
High	600	6	13	7.0	9.0	63%	$11.45

Table 13. Simulation results for Zone 1.

10.2.10 Zone 1A - Zone 1 commingled with ADA paratransit

The same number of vehicles would be required for Zone 1A. Most trips would also be around 9 minutes long, with an average wait time of about 13 minutes. The average daily utilization is 6.1-7.5 passengers per vehicle-hour, depending on the demand scenario. The shared-ride duration percentage is between 53% and 68%.

Demand Scenarios	Daily Ridership	Fleet Size	Average Passenger Wait Time	Average daily utilization	Average Ride Duration	Shared-Ride Duration Percentage	Cost per Passenger Trip
	Trips per day	*Number of vehicles*	*Minutes from request to pickup*	*Passenger boardings per vehicle-hour*	*Minutes*	*Percent of vehicle-time with multiple passengers*	*Gross operating cost per passenger trip ($)*
Low	350	4	12	6.1	8.5	53%	$14.81
Medium	490	5	13	6.8	8.8	62%	$12.59
High	640	6	13	7.5	9.4	68%	$10.74

Table 14. Simulation results for Zone 1A.

10.2.11 Zone 2 - Citywide Expansion + Meyers

For this larger zone encompassing South Lake Tahoe and Meyers, five to seven vehicles are required, depending on the level of demand. Most trips would be 8-10 minutes in length, with an average wait time of 10-14 minutes. The shared-ride duration percentage is between 39% and 62%. The average cost per trip is expected to range from about $12 to about $20.

Demand Scenarios	Daily Ridership	Fleet Size	Average Passenger Wait Time	Average daily utilization	Average Ride Duration	Shared-Ride Duration Percentage	Cost per Passenger Trip
	Trips per day	*Number of vehicles*	*Minutes from request to pickup*	*Passenger boardings per vehicle-hour*	*Minutes*	*Percent of vehicle-time with multiple passengers*	*Gross operating cost per passenger trip ($)*
Low	330	5	10	4.6	8.6	39%	$19.58
Medium	480	6	11	5.6	9.6	55%	$15.31
High	660	7	14	6.5	10	62%	$12.27

Table 15. Simulation results for Zone 2.

10.2.12 Zone 2A - Zone 2 commingled with ADA paratransit

For this zone, five to eight vehicles will be required to meet the daily ridership demand. Average wait time will be 9-11 minutes, depending on the scenario, with an average daily utilization of 5.2-6.1 passenger boardings per vehicle-hour. The average ride duration is roughly 9-10 minutes, and the shared-ride duration percentage is between 45% and 60%.

Demand Scenarios	Daily Ridership	Fleet Size	Average Passenger Wait Time	Average daily utilization	Average Ride Duration	Shared-Ride Duration Percentage	Cost per Passenger Trip
	Trips per day	*Number of vehicles*	*Minutes from request to pickup*	*Passenger boardings per vehicle-hour*	*Minutes*	*Percent of vehicle-time with multiple passengers*	*Gross operating cost per passenger trip ($)*
Low	370	5	11	5.2	9.0	45%	$17.47
Medium	520	7	9	5.2	8.9	45%	$16.49
High	700	8	11	6.1	9.8	60%	$13.22

Table 16. Simulation results for Zone 2A.

10.2.13 Cost-benefit analysis

The City, SSTMA, and other organizations that could potentially support microtransit service in South Lake Tahoe have limited budgets and vehicle resources. As a result, the total annual cost to operate microtransit, as well as the operating cost-per-passenger trip, are important metrics to evaluate each microtransit service. The following cost-benefit analysis tables take into consideration the following factors for each microtransit service alternative:

- **Vehicles required.** This figure represents the maximum number of vehicles necessary to operate during peak hours with the quality of service specified in 10.1.5 Service design guide**.** Not all vehicles would need to be in service at all hours of the day, however. Typically, the average vehicle has an in-service ratio of between 80-85% in an on-demand microtransit service.
- **Annual-vehicle hours**. The number of vehicle-hours is rounded to the nearest hundred and assumes a service window of 7AM-9PM Sunday-Thursday, and 7AM-10PM Friday-Saturday (the same as TTD operating hours.) The annualization factor assumes 255 weekdays, 52 Saturdays, and 52 Sundays per year in which the service is operating. The remaining 6 days per year are assumed to be holidays when the service is not running.
- **Annual operating cost (gross).** This figure is the annual vehicle-hours required multiplied by the hourly operating costs, which assume a third-party contracted service model and an hourly cost range between $80 and $90, depending on the number of vehicles required.
- **Operating cost per passenger trip.** This figure is a ratio of the annual ridership and the annual vehicle-hours of each scenario. Ridership on Saturdays and Sundays is assumed to be half of weekday ridership, a common pattern in on-demand microtransit services in communities similar to South Lake Tahoe.

The calculations below assume that this microtransit service, like TTD fixed route and Lake Link service, remains free. Therefore no fare revenue would be collected that would offset the operating costs of this service.

Metric	Demand Scenario	Zone 1:	Zone 1A:	Zone 2	Zone 2A
Vehicles required	Low	4	4	5	5
	Medium	5	5	6	7
	High	6	6	7	8
Annual vehicle-hours	Low	17,680	17,680	22,100	22,100
	Medium	22,100	22,100	26,520	30,940
	High	26,520	26,520	30,940	35,360
Annual operating cost (gross)	Low	$1.59 million	$1.59 million	$1.99 million	$1.99 million
	Medium	$1.88 million	$1.88 million	$2.25 million	$2.63 million
	High	$2.12 million	$2.12 million	$2.48 million	$2.83 million
Cost per passenger trip (gross)	Low	$17	$15	$20	$17
	Medium	$14	$13	$15	$16
	High	$11	$11	$12	$13

Table 17. Cost-benefit analysis

11 Implementation Plan

This section describes key City decisions and actions necessary to implement the multimodal transit improvements outlined in this study. Of particular importance are finalizing the service design of fixed-route and microtransit options and adopting an appropriate governance structure to manage local transportation and remain eligible for various federal, State, and regional funding sources. The following steps must be completed prior to launching any new transit services in South Lake Tahoe:

- **Finalize service design.** The City will first need to finalize the expanded fixed-route and microtransit services it would like to implement, including the preferred route alignments and service zone, respectively, from the range of alternatives discussed in 10 Transit Alternatives. Decisions regarding vehicle types, hours of operation, service parameters, and fare structure will also need to be finalized.
- **Select a governance structure.** The City could pursue any of three alternative governance structures discussed in the following section, 11.1 Governance structure. It could also opt to continue the *status quo* with TTD operating as the Consolidated Transportation Services Agency (CTSA) for the area and the SSTMA managing contracted microtransit operations.
- **Secure funding.** Depending on the governance model selected, the City and its partners will have a range of funding options to pursue for its revised transit network. Funding can be secured through formula or competitive grants at the State and federal levels, regional fees (e.g. TRPA's rental car mitigation fee or mobility mitigation fee), or City funding sources such as Measure S sales taxes or the Transient Occupancy Tax (TOT). These and other potential funding sources are described in 11.2 Funding sources.
- **Continue to pursue fleet electrification.** TTD has been a leader in fleet electrification and has been consistently awarded FTA Section 5339 (Low/No-Emission) grants for several years, which have supported its electrified fixed-route services based out of its first LTCC charging station. The City should build upon this success by installing additional electric vehicle fast-charging stations at key locations such as the South Y, the western terminus of Route 50, and Stateline Transit Center. The City can also support the electrification of the Lake Link microtransit service by securing local or regional funds for electric vehicles and charging stations at other high-demand locations or terminals. These electric vehicle options are explored in further detail in 11.3 Electrification.
- **Explore commingling with ADA paratransit or non-emergency medical transportation (NEMT).** If the City implements an expanded, citywide microtransit zone (as described in 10.1.9 and 10.1.10), there is an opportunity for the Lake Link service to also absorb the small volume of ADA paratransit customers traveling within the zone. However, this approach requires TTD to take over management of the Lake Link service in order to continue to access FTA funds for paratransit capital and operating costs. It also requires the introduction of a pre-booking option in the service's software platform to accommodate ADA customers' travel needs, as described in 10.1.5 Service design guide. The larger microtransit service area also presents an opportunity to serve non-emergency patient trips (e.g. to medical appointments or post-discharge) to and from Barton Hospital, an approach that could partly help to offset the service's operating costs. These commingling options are explored in greater detail in 11.4.

11.1 Governance structure

Four primary approaches to transit governance are explored in this section: the *status quo* option of operating expanded transit services through TTD, creating a new municipal transit service to supplement TTD, creating a Joint Powers Agency composed of the City and various other parties, and operating transit through an intergovernmental agreement between the City of South Lake Tahoe and TTD. The advantages and disadvantages of each approach to transit governance are summarized in the table below. Following the table are more detailed descriptions of each model.

Governance Structure	Description	Advantages	Disadvantages
Municipal transit system *Peer transit agency examples:* Truckee TART, CA Park City Transit, UT	• City of South Lake Tahoe works with a third-party contractor to operate transit service within its boundaries	• Local control • Potentially more frequent service within South Lake Tahoe	• City assumes greater responsibility and risk in transit operations • More difficulty in acquiring federal funds (limited local matching potential)
Joint Powers Agency *Peer transit agency examples:* Merced County Transit, CA	• City, Douglas County, and El Dorado County form separate legal entity to operate transit service in South Lake Tahoe and Meyers	• Direct, proportional representation of funders • Allows transit service across jurisdictions • Economy of scale allows better service than Meyers' tax base would support	• Limited transparency and opportunity for voter oversight • Little precedent for JPAs managing transportation across state lines
Intergovernmental agreement *Peer transit agency examples:* Summit County, UT and Utah Transit Authority, UT TTD, Carson City RTC, Washoe County RTC, and Douglas County	• City and TTD (or El Dorado County) sign agreement to operate transit service in South Lake Tahoe and Meyers	• Easier to implement than JPA or municipal transit system • Allows each party to more closely specify funding commitment and role in oversight • Economy of scale allows better service than SLT and Meyers' tax base would support alone	• Imbalance of resources between parties can lead to tensions
Consolidated Transportation Services Agency (CTSA)—status quo option	• Tahoe Transportation District (TTD) continues to operate regional transit service in the Tahoe Basin	• Regional scope matches travel patterns of tourism economy (e.g. workforce transportation)	• Limited local representation and voter oversight • Less service allocated to local mobility needs

Table 18. Advantages and disadvantages of transit governance structures

11.1.1 Consolidated Transportation Services Agency (CSTA)

In 1979, the California Social Services Transportation Improvement Act (AB 120) directed each of the state's counties to establish a Consolidated Transportation Services Agency (CTSA) to better coordinate the programs serving the transportation needs of seniors, people with disabilities, and others. Tahoe Transportation District functions as the CTSA designated by the Tahoe Transportation Commission for the Tahoe Basin, providing fixed-route bus and complementary

ADA paratransit service to the region, implementing the TRPA rental car mitigation fee, and managing grants from the FTA and FHWA to support transit operations.

Continuing to operate transportation through the designated CTSA, TTD, represents a *status quo* option with several advantages. TTD's regional authority over the Tahoe Basin and established track record of transit operations makes it well-positioned to operate expanded future transportation services in South Lake Tahoe. TTD's regional scope makes it a highly suitable body for addressing regional mobility issues, particularly workforce transportation and commute-oriented service between South Lake Tahoe and communities in Douglas County, on the Nevada side of the Basin, as well as other communities in Eldorado County. TTD's Lake Express and 19X services, between the South Shore and Douglas County communities are prime examples of this service orientation. Peer transit agencies, such as Steamboat Springs, Colorado, and High Valley Transit in Summit County, Utah, have had success in prioritizing this type of regional transit investment, between primary resort destinations and peripheral residential communities where local workers often live, through consolidated regional agencies. Local municipalities often lack either the financial resources or political authority to operate transit over longer-distance corridors connecting multiple incorporated communities.

However, there are several potential drawbacks to relying upon the established TTD framework for transit operations in Tahoe Basin. The first is that due to its regional scope of obligations, TTD may be less attuned to local mobility issues within any particular municipality, and service delivery may ultimately not match the needs of local stakeholders, particularly for locally oriented travel. TTD's Board structure also provides limited representation for the City of South Lake Tahoe, making the agency less responsive to the priorities of South Lake Tahoe residents and voters. Of its 12 Board members who drive the agency's decision making, only one seat is allocated to the City of South Lake Tahoe, with another allocated to the SSTMA.[18]

11.1.2 Municipal transit system

To implement a municipal transit system, the City of South Lake Tahoe would create a new city department to manage public transit within South Lake Tahoe, including fixed-route bus, complementary ADA paratransit, and the Lake Link microtransit service. This option would involve the City taking over management of both TTD's South Shore fixed-route services (Routes 50 and 55) as well as its complimentary ADA paratransit service. The City may choose to operate a distinct service brand identity of its municipal transit system or, as in the case of Truckee TART, it may choose to adopt the same brand identity as TTD to make the overall scope of services easier for riders to understand and use, particularly those completing regional trips from Douglas or Washoe Counties.

City staff should then determine whether to operate transit service in-house, using existing City agency staff and vehicles, or to select a purchased transportation model, in which a third-party vendor is contracted to operate transit service and manage operations.[19] We recommend the

[18] Remaining Board seats are allocated to TRPA, governor appointees from California and Nevada, appointees from CalTrans and NVDOT, El Dorado County, Placer County, Truckee-North Tahoe TMA, Douglas County, Carson City (NV), and Washoe County (NV), as well as a Member at Large representing private employers.

[19] Some microtransit vendors also lease vehicles to support their contracted operations.

purchased transportation approach because the City may not currently have sufficient staff to operate and manage transit service. Under a purchased transportation model, the City would still likely need to purchase or lease vehicles for fixed-route or ADA paratransit service, as transit industry contractors are typically able to provide only drivers and administrative support. Because fixed-route and microtransit services typically involve different vehicle classes, they will likely require different levels of driver training and CDL certification. As a result, multiple contractors may be required, one for fixed-route service and one or more for the Lake Link microtransit and Complimentary ADA paratransit services, to ensure that each service is appropriately staffed and compliant with State and federal regulations.

Contracted transportation services sometimes have lower operating costs and are typically easier to scale quickly when compared to agency-operated alternatives, as third-party vendors can typically hire new drivers or extend operating hours more easily than transit agencies. Disadvantages of using a purchased transportation model include reliance on a vendor for most aspects of service delivery, and less direct control over operational decisions (potentially including driver recruitment and pay, driver training, and maintenance activities). However, a well-designed contract can address many of these concerns.

The primary advantage of creating a municipal transit system distinct from TTD is the ability for the City to exercise a greater degree of local control over service delivery. Greater local control may ultimately result in more frequent service and better access to key destinations in South Lake Tahoe. The municipal transit system approach also preserves the flexibility of developing regional transit services to destinations outside of South Lake Tahoe's boundaries, such as Meyers or Zephyr Cove, in Douglas County.

However, there are a number of administrative barriers that may limit the effectiveness of this approach. Overall, managing a municipal transit system would result in significantly greater risk and responsibility for the City. There are also fewer potential funding sources available for a City-run transit service compared to TTD-run service, as only TTD is an approved sub-recipient of both FTA and State funding. Similarly, many federal transit funding programs require a local match contribution, which would have fewer potential sources under a municipal transit system operating only within South Lake Tahoe. Matching funds could still be raised locally through the City's general fund, partnerships with the SSTMA, or other local funding sources described in 11.2.3 Local and regional funding sources.

To access federal and state transit funding for capital programs and operations, the City would need to become established as a sub-recipient of FTA funds allocated to TRPA. To become a subrecipient of FTA funding, the City would need to develop a range of formal policies and procedures required by FTA, including but not limited to:

- Written Title VI program, including Limited English Proficiency (LEP)/Language Assistance Programs
- Equal Employment Opportunity (EEO) Program, if more than $1 million per year is requested in operating or capital assistance programs
- Disadvantaged Business Enterprise (DBE) Program

- Written ADA Paratransit Plan, including ADA service and operations policies (e.g. using accessible vehicles in fixed-route service and offering sufficient accessible vehicles to offer equivalent quality of service in microtransit service)
- Public transportation safety plan
- Written procurement policies, including annual certification of compliance pertaining to lobbying activities and written protest procedures
- Written financial management policies and procedures, including grant administration policies and policies in place for petty cash expenditures, the payment of travel expenses, and transit fares (if service is no longer fare-free)
- Establishment of a maintenance facility plan, acquisition of a certificate of insurance, and creation of vehicle preventive maintenance plan

The City should work with TRPA to investigate any additional requirements for the City to become a subrecipient of State funding. If awarded a funding opportunity through CalSTA or CalTrans, the City will be required to execute a Master Agreement with the agency which will likely require City Council approval. The agreement is valid for up to 10 years, meaning that if the City were to win multiple grants through CalSTA or CalTrans, they would not be required to sign a new agreement during that time frame.

11.1.3 Joint Powers Agency

A Joint Powers Agency (JPA)[20] is a legal entity created by two or more government agencies to establish a joint approach to work on a common problem or fund a common project, such as public transportation. JPAs have been widely used as a means of public service delivery in California since the mid-1970s. This approach would involve a cooperative agreement between the City of South Lake Tahoe and El Dorado County (representing the unincorporated community of Meyers). Inclusion of Douglas County in the JPA (representing any communities served on the Nevada side of the South Shore) may be challenging to implement, as while the approach is legal, there is little precedent of JPAs managing interstate transportation.[21] The Joint Powers Agency would have officials from each member agency on its governing board. Often, Joint Powers Agencies award proportional representation to each member agency (in terms of board seats) that reflects the relative contributions of each of its members. This ensures that representation is equitable and proportional to the local funding each member jurisdiction contributes to the JPA. Among the peer transit agencies reviewed in this study, the Transit Joint Powers Authority for Merced County (Merced The Bus) notably uses this governance model, which consolidated three the resources of three previous municipal transit agencies across a large, countywide service area.

The primary advantage of the JPA is to consolidate resources from multiple parties to address the shared challenge of mobility in the South Shore. The combined resources of the three member agencies would significantly exceed the capacities of any single member agency to fund and operate public transportation. Likewise, the economy of scale of a larger service area and scope of operations would result in more cost-effective service than the alternative scenario of each

[20] If the JPA chooses to sell bonds to finance its long-term activities, such as capital improvement projects, the organization becomes known as a Joint Powers Authority.
[21] A more common approach is the interstate compact, such as the Tahoe Compact of 1980 (Public Law 96-551) that led to the creation of TTD. Interstate compacts typically require the approval of either Congress or both respective state legislatures.

member agency paying for separate, municipal transit services. However, the JPA would still face the same challenges in accessing state and federal formula funding as would a municipal transit system, as described above. The new JPA would need to complete a series of requirements to become an eligible sub-recipient of CalTrans or FTA funding for transit allocated to TRPA. Another potential disadvantage of the JPA approach is that these agencies have less transparency than the municipal or CTSA governance approaches. Because they are insulated from voter approval and are capable of securing external funding sources independently from each member agency, they are less accountable to stakeholder and voter preferences within South Lake Tahoe.

11.1.4 Intergovernmental agreement

Intergovernmental (or "interlocal") agreements can be broadly tailored to fund mobility services. Intergovernmental agreements for public transportation are designed to share resources between different levels of government, and therefore to reduce the overall cost of administration as well as create opportunities for more cost-effective service delivery. In this approach, the City of South Lake Tahoe collaborates with TTD to reach an agreement on the preferred transit service levels defined for the City. This agreement contains information on the respective roles and responsibilities of each organization as well as how funds are managed and matched, and which agency serves as fiscal agent for the South Lake Tahoe services. The key issue to be resolved by the intergovernmental agreement is the negotiated funding contribution required from the City to ensure that TTD can effectively provide the specified levels of transit services.

Intergovernmental agreements are commonly used throughout the Tahoe Basin to support cross-jurisdictional services. TTD's fixed-route service 19X and 22, between Stateline Transit Center and Gardnerville/Minden and between Gardnerville/Minden and Carson City, are funded by an intergovernmental agreement between TTD, Douglas County, the Regional Transportation Commission of Washoe County, and the Carson City Regional Transportation Commission.[22] A similar interlocal agreement between the TTD and the Nevada Division of State Parks supports the East Shore Express service, between Incline Village and Sand Harbor State Park, with the Nevada parks agency providing a local match to TTD's 5307 funds.[23] Several peer transit agencies reviewed in this study also use intergovernmental agreements to fund regional transit service, such as Steamboat Springs Transit, which has an agreement between the City of Steamboat Springs, City of Craig, and Routt County.[24] Likewise, Park City Transit used an interlocal agreement with Utah Transit Authority to fund electric vehicles and charging stations along a key regional bus route, the PC-SLC Connect.

The primary advantage of an intergovernmental agreement is the avoidance of significant administrative requirements in the establishment of a new transit agency (whether a municipal transit system or JPA) eligible as a sub-recipient of state and federal funds. Rather,

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[22] Maloney, Mark. 2018. "ICA between the Tahoe Transportation District, Douglas County, Carson City RTC, and RTC of Washoe County." RTF Staff Report. Reno, NV: Washoe County Regional Transportation Commission. https://www.rtcwashoe.com/wp-content/uploads/2018/12/Item-3.4-ICA-With-CC-TTD-DC-and-RTC.pdf.

[23] Tahoe Transportation District. 2021. Short Range Transit Plan. https://www.trpa.gov/wp-content/uploads/documents/archive/2/SRTP%20Final-Board%20adopted%2010-2017-amended12-2017_w_append.pdf p. 88.

[24] Steamboat Springs Transit. n.d. "Regional Service." Accessed September 22, 2022. https://www.steamboatsprings.net/870/Regional-Service.

intergovernmental agreements are comparatively easy to implement and allow each party flexibility in their delineated roles and responsibilities. The approach would enable the City and TTD to maintain their respective strengths in securing distinct funding sources—for example, the City with Measure S sales tax and Transient Occupancy Tax revenues, and TTD with FTA and CalTrans TDA funding—while braiding these funding streams into a robust and sustainable foundation for high-quality transit service. A potential disadvantage of intergovernmental agreements is that they require one agency to serve as fiscal agent. Likewise, service to adjacent communities, such as Meyers, would require an additional intergovernmental agreement, between TTD and El Dorado County (representing unincorporated Meyers), that could introduce additional complexity.

Of the four governance structures reviewed above, we recommend an intergovernmental agreement as the most suitable approach for South Lake Tahoe: it leverages the strengths of TTD's existing operations and administrative capacity as well as leaving sufficient flexibility for the City of South Lake Tahoe to secure additional, local transit service in exchange for negotiated local matching contributions. This approach also avoids the procedural requirements associated with a new agency becoming an eligible sub-recipient of FTA funds, a significant disadvantage over the JPA or municipal transit agency approaches.

11.2 Funding sources

Tahoe Transportation District (TTD) has an annual transit operating budget of about $6.1 million to fund its fixed-route bus and Complementary ADA Paratransit services, according to its FY 2020 reporting to the FTA National Transit Database. The majority of TTD's revenues ($3.4 million, or 56%) come from federal grant programs, including $1.5 million from Section 5307 (Urbanized Area Formula Program) and about $50,000 from Section 5310 (Enhanced Mobility for Seniors and People with Disabilities), which supports its Complementary ADA Paratransit program. TTD also received $1.9 million in FY 2020 from FTA Section 5311 (Rural Area Grants), which supports service in Douglas County. The next-largest source of TTD's revenue is State funding, which accounts for 37% of its budget ($2.3 million) from both state general funds and State Transit Assistance (STA) funds. Fare revenues in FY 2020 accounted for 7% of TTD's budget, while local funding from the South Tahoe Public Utility District (STPUD) contributed about $44,000 or less than 1% of the total. TTD does not currently receive funding from the City of South Lake Tahoe or any other municipalities in its jurisdiction. The Lake Link microtransit service is financed privately by the SSTMA, from member contributions of South Shore employers.

The City of South Lake Tahoe can use a variety of different funding sources to launch and operate transit service. These include federal, state, regional and local sources. The following section describes these potential funding sources in detail, with a summary in the table below.

Funding Source	Funding Type	Eligible Recipients in the South Shore
Section 5307 Urbanized Area Grants	Federal formula funding	TTD
Section 5310 Enhancing Mobility for Seniors & People with Disabilities	Federal formula funding	TTD
Enhancing Mobility Innovation (EMI)	Federal competitive grant	TTD or City of South Lake Tahoe
Carbon Reduction Program (CRP)	Federal competitive grant	TTD (through TRPA)
Congestion Mitigation and Air Quality (CMAQ)	Federal competitive grant	TTD (through TRPA)
USDOT Advanced Transportation Technologies & Innovative Mobility Development (ATTIMD)	Federal competitive grant	TTD, TRPA, or City of South Lake Tahoe
Section 5399(c) Low or No-Emissions Vehicle Program	Federal competitive grant	TTD or City of South Lake Tahoe
Local Transportation (LTF) or State Transit Assistance (STA) Funds - Operations	State formula grant	TTD (through TRPA)
State of Good Repair (SGR) Funds - Capital Programs	State formula grant	TTD
CalTrans Low Carbon Transit Operations Program (LCTOP)	State competitive grant	TTD
Solutions for Congested Corridors Program (SCCP)	State competitive grant	TRPA
State-Local Partnership Program (1B/SLPP)	State competitive grant	City of South Lake Tahoe (through TRPA)
Clean Mobility Options (CMO)	State competitive grant	TTD or City of South Lake Tahoe
Sales Tax (e.g. Measure S)	City tax	City of South Lake Tahoe
Transient Occupancy Tax (TOT) and SLT Tourism Improvement District Fee	City tax	City of South Lake Tahoe

Parking fees	User fee	City of South Lake Tahoe
Mobility mitigation fee for developers	Regional Impact Fee	City of South Lake Tahoe (through TRPA)
Rental car mitigation fee	Regional tax	TTD (through TRPA)
Vacancy Tax (TTD)	Regional tax	TTD
Regional Early Action Planning (REAP) (TRPA)	State competitive grant	City of South Lake Tahoe (through TRPA)

Table 19. Funding sources and eligible recipients

11.2.1 Federal funding programs

While federal sources account for only 17% of overall transit funding in the United States, it can be an important component to support multimodal transit operations and capital programs. Federal funding typically comes in two forms:

- Formula funds that are distributed throughout the states and then distributed to transit agencies based on area population, ridership, existing transit service, and other factors.
- Competitive grant programs that are open to any transit agency or eligible FTA recipient.

FTA formula funding

Section 5307 Urbanized Area Grants

The 5307 program provides transit capital and operating assistance to urbanized areas, defined as incorporated areas with a population of 50,000 or more residents. Section 5307 funding is directed to transit agencies and other local government agencies designated as direct recipients or sub-recipients of FTA funding. Tahoe Transportation District is the current designated FTA recipient in the South Lake Tahoe area.

Section 5310 Enhancing Mobility for Seniors & People with Disabilities

This program provides formula-based funding for the purpose of assisting transit agencies and nonprofit organizations in meeting the transportation needs of older adults and people with disabilities when existing transportation services are insufficient. As with Section 5307 above, Section 5310 funding is directed to transit agencies and other local government bodies designed as direct recipients or sub-recipients to FTA funding. Typically, metropolitan planning organizations (MPOs) like the Tahoe Regional Planning Agency (TRPA) establish Section 5310 allocations identified in their Coordinated Human Services Transportation Plan, which is updated every five years. TRPA's most recent update to its Coordinated Plan was in 2019.

Competitive funding for capital programs

Section 5399(c) Low or No-Emissions Vehicle Program

The FTA Low or No Emission competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction and leasing of required supporting facilities. Eligible applicants include direct or designated recipients of FTA grants, states, and local governmental authorities. TTD and the City of South Lake Tahoe are each eligible recipients.

Competitive funding for operations

Enhancing Mobility Innovation (EMI)

FTA's Enhancing Mobility Innovation program advances a vision of mobility for all—safe, reliable, equitable and accessible services that support complete trips for all travelers. The program promotes technology projects that center the passenger experience and encourage people to take transit, such as integrated fare payment systems and user-friendly software for demand-response transportation. Enhancing Mobility Innovation projects can either accelerate innovative mobility via concept development and/or demonstration projects that improve mobility and enhance the rider experience with a focus on innovative service delivery models, creative financing, novel partnerships and integrated payment solutions; or implement software solutions that facilitate integrated demand-response public transportation that dispatches transit vehicles through riders' mobile devices. On August 10, 2022, FTA awarded $4 million in EMI grants to nine transit agencies and organizations, of which four were for the deployment or development of microtransit services.

Carbon Reduction Program (CRP)

Created under President Biden's Bipartisan Infrastructure Law (ILJA), the Carbon Reduction Program (CRP) provides $6.4 billion in formula funding that will help states develop carbon reduction strategies and address the climate crisis. States can use the funds, administered by the Federal Highway Administration (FHWA), to expand transportation options for American families. Under the CRP, states must also develop carbon reduction strategies in consultation with their respective MPO's to identify projects and strategies tailored to reduce carbon dioxide emissions in their states, although states and localities may begin using CRP funds before plans are developed and reviewed.

Congestion Mitigation and Air Quality (CMAQ)

The CMAQ grant program is administered by the FHWA to support projects and programs that work to improve air quality and maintain or attain the requirements set forth by the Clean Air Act. This competitive program is typically administered locally through metropolitan planning organizations such as the TRPA. Funds may be used for a transportation project or program that is likely to contribute to the attainment or maintenance of a national ambient air quality standard, with a high level of effectiveness in reducing air pollution, and that is included in the metropolitan planning organization's (MPO's) current transportation plan and transportation improvement program (TIP) or the current state transportation improvement program (STIP) in areas without an

MPO. Typically, CMAQ funds are dedicated to areas that are outside of attainment of air quality standards set by the Clean Air Act. Merced The Bus, one of the transit agencies reviewed in 9 Peer Agency Review, uses CMAQ to fund transit operations. TTD has also used CMAQ grant funding in previous years to fund transit operations.

USDOT Advanced Transportation Technologies & Innovative Mobility Development (ATTIMD)

The purpose of the Advanced Transportation Technologies and Innovative Mobility Deployment (ATTIMD) initiative is to make competitive grants for the development of model deployment sites for large scale installation and operation of advanced transportation technologies to improve safety, efficiency, system performance, and infrastructure return on investments. The DOT intends for these model technology deployments to help demonstrate how emerging transportation technologies, data, and their applications can be effectively deployed and integrated with existing systems to provide access to essential services and other destinations. This also includes efforts to increase connectivity to employment, education, services and other opportunities; support workforce development; or contribute to increased mobility, particularly for persons with visible and hidden disabilities and elderly individuals. Eligible applicants are State or local governments, transit agencies, metropolitan planning organizations (MPO) representing a population of over 200,000, or other political subdivisions of a State or local government (such as publicly owned toll or port authorities), or a multijurisdictional group or consortia of research institutions or academic institutions.

USDOT Strengthening Mobility and Revolutionizing Transportation (SMART) Program

This program, established by the Bipartisan Infrastructure Law, designates annually $100 million for fiscal years 2022-2026. It provides grants to eligible public sector agencies to conduct demonstration projects focused on advanced smart community technologies and systems in order to improve transportation efficiency and safety. The FY22 Notice of Funding Opportunity (NOFO) will open in September 2022. Eligible applicants include states, public transit agencies, and MPO's. Eligible projects include coordinated automation, connected vehicles, sensors, systems integration, delivery/logistics, innovative aviation, smart grid and traffic signals.

11.2.2 State funding programs

State Formula funding

Local Transportation (LTF) or State Transit Assistance (STA) Funds - Operations

These funds have been enacted by the California Legislature to improve existing public transportation services and encourage regional transportation coordination. The LTF is derived from a ¼ cent of the general sales tax collected statewide. The State Board of Equalization, returns the general sales tax revenues to each county's LTF, which then apportions the LTF funds based on population. The STA funds are derived from a statewide sales tax on diesel fuel and appropriated by the legislature to the State Controller's Office, which then allocates the tax revenue, by formula, to planning agencies and other selected agencies. The statute requires that 50% of STA funds be allocated according to population and 50% be allocated according to transit

operator revenues from the prior fiscal year. The California Department of Transportation (CalTrans) has responsibility for oversight of the program that administers these funds, and TRPA is responsible for the distribution of these funds to local recipients.

State of Good Repair (SGR) Funds - Capital Programs

The State of Good Repair Grants Program provides capital assistance for maintenance, replacement, and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. Additionally, SGR grants are eligible for developing and implementing Transit Asset Management plans. Eligible recipients are state and local government authorities in UZAs with fixed guideway and high intensity motorbus systems in a state of good repair, including projects to replace and rehabilitate. Allocation is based on revenue miles and route miles reported to the FTA National Transit Database (NTD).

State Competitive grants

CalTrans Low Carbon Transit Operations Program (LCTOP) - Operations

The Low Carbon Transit Operations Program (LCTOP) provides operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. For agencies whose service area includes disadvantaged communities, at least 50% of the money received shall be expended on projects that will benefit disadvantaged communities.

State-Local Partnership Program (1B/SLPP) - Capital

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, authorized $1 billion to be deposited in the State-Local Partnership Program (SLPP) Account for allocation by the California Transportation Commission over a five-year period to eligible transportation projects that were nominated by an applicant transportation agency. The Bond Act required a dollar-for-dollar match of local funds for an applicant agency to receive state funds under the program.

Solutions for Congested Corridors Program (SCCP) - Capital Programs

The Solutions for Congested Corridors Program (SCCP) is a statewide, competitive program that provides funding to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. The program was created by the Road Repair Accountability Act of 2017 (SB 1). The SCCP makes $250 million available annually to projects that implement specific transportation performance improvements and are part of a comprehensive corridor plan, by providing more transportation choices while preserving the character of local communities and creating opportunities for neighborhood enhancement. Regional transportation planning agencies, county transportation commissions, and the California Department of Transportation (Caltrans) are eligible to apply for program funds. Eligible agencies

must nominate projects to apply for SCCP funds. All nominated projects must be identified in a currently adopted regional transportation plan and an existing comprehensive corridor plan.

Clean Mobility Options (CMO) - Operations

The Clean Mobility Options (CMO) Program, issued by the California Air Resources Board (CARB), funds projects that assess and address the barriers and transportation needs of low-income residents and disadvantaged communities designated by SB 350. It provides funding for clean, shared transportation options, including zero-emission carsharing, vanpools, electric and regular bicycle sharing, scooter sharing, and ride-hailing services. The projects are designed to connect with current or future innovative mobility hub concepts that promote multimodal trips, including co-located passenger rail, bus/shuttle, ride-hailing, public charging, and first mile/last mile transit solutions. This program funds projects only in disadvantaged communities designated by SB 350; there are few qualifying Census Tracts in South Lake Tahoe, however.

Transit and Intercity Rail Capital Program (TIRCP) - Capital [25]

Issued by CalSTA, this program seeks to award transformative projects that will modernize California's intercity rail, bus, and ferry transit system. Competitive applications will address how the service maximizes benefits to disadvantaged and low-income communities and reduces overall vehicle miles traveled (VMT) in the region. Both fixed-route bus and microtransit capital projects are eligible. Of the 23 projects awarded in 2022, five applications (over 20%) received capital and operating dollars to launch and expand microtransit services in California. Another nine applications received capital funding to support bus vehicle purchases, electric-bus charging infrastructure.

11.2.3 Local and regional funding sources

City of South Lake Tahoe

Sales Tax (e.g. Measure S)

The City of South Lake Tahoe can allocate transit funding from general sales tax measures, such as Measure S approved by South Lake Tahoe voters in 2020. Measure S currently addresses the local service priorities such as fire safety, local emergency response, streets and roads, Lake pollution prevention, and programs that maintain local jobs and small businesses.

Transient Occupancy Tax (TOT) and SLT Tourism Improvement District Fee

The Transient Occupancy Tax (TOT) is a ten (10%) percent tax that is applied to the rent and paid by the guest for all transient lodgings (rentals for a period of 30 consecutive days or less.) The SLT Tourism Improvement District fee is $4.00 per night for hotels/motels and $5.50 per night for timeshares and agent-managed vacation home rentals. Despite fluctuation due to seasonal characteristics, inflation, and the COVID-19 pandemic, tourism remains a primary economic driver

[25] Applicants can get up to 50% reimbursement of operating costs for microtransit, such as software and vehicle leases, covered through the "capital cost of contracting" rule if the service is contracted to a third-party vendor.

for the City and the largest source of revenue for its General Fund.[26] TOT revenues fund public safety, public works, recreation and most administrative functions, while Tourism Improvement District fees go towards economic development, tourism promotion, marketing and other commercial revitalization strategies. Truckee TART's microtransit service, TART Connect, is one example of a comparable service funded by Placer County's TOT.

Some of the revenue from these fees could be allocated funding transit services, as they can serve the transportation needs of tourists and promote economic development in the City.

Parking Fees

The City of South Lake Tahoe currently uses revenues from its public, paid parking facility at Heavenly Village (1 Bellamy Court) to support its Enterprise Fund. City staff indicate that the parking facility's debt service is nearly paid off. The City could reallocate these revenues to support expanded local transit operations.

Regional funding measures (authorized by TTD or TRPA)

Mobility mitigation fee for developers (TRPA)

TRPA assesses a mobility mitigation fee to developers building new projects in the basin that is accrued on the basis of new vehicle miles traveled (VMT). This fee helps offset generated VMT with investments in VMT-reducing projects identified by the 2020 RTP. These include microtransit, water taxis, mobility hubs, multi-use paths & pedestrian improvements, smartphone apps, parking management, adaptive traffic management, and corridor planning and implementation. The City should consider partnering with TRPA to potentially access these funds for local transit operations.

Rental car mitigation fee (TRPA)

TRPA issues a rental car mitigation fee that taxes $4.50 per day per rental car rented in the Tahoe region. This fee is collected by the TRPA then distributed to TTD. TRPA is currently considering increasing this fee to $5.50, which could potentially generate an average of $100,000 per year that could be used to fund transportation projects.

Vacancy Tax (TTD)

TTD is currently considering adopting a vacancy tax on vacant single family housing units including condominiums that are not the permanent residence of the owner. To enact this measure, TTD would place a tax measure on the ballot and seek ⅔ approval from Basin voters. Properties with short term rental activity and/or properties that pay transient occupancy tax revenue may need to be exempt from the tax due to potential legal challenges. Currently, Oakland has a vacancy tax, approved by voters in 2018. The measure imposed a special tax on all residential and nonresidential parcels in use less than 50 days during a calendar year.

Regional Early Action Planning (REAP) (TRPA)

[26] *City of South Lake Tahoe Annual Budget FY 2020-2021.*

The Regional Early Action Planning (REAP) grant program is a series of one-time state funding from the Department of Housing and Community Development (HCD) to support efforts that accelerate infill housing development, reduce VMT, increase housing supply at all affordability levels, and facilitate the implementation of adopted regional and local plans to achieve these goals. All applications must satisfy both housing and VMT reduction goals while emphasizing the nexus between housing and climate change in ways that advance equity and improve underlying social and health vulnerabilities that may have contributed to more severe public health outcomes of the pandemic. Program objectives include realizing multimodal communities, shifting travel behavior by reducing driving, and increasing transit ridership.

Private sector funding

SSTMA or other employer-generated funding sources

Currently, Lake Link is funded by the SSTMA's public, private, and nonprofit partners, including Barton Health, El Dorado County, Heavenly Mountain Resort, Lake Tahoe Community College, the South Lake Tahoe Tourism Business Improvement District, and others. This partnership could be mobilized to fund expanded microtransit operations, including additional vehicles and/or an enlarged service zone. Another possibility is to pursue partnerships with local homeowners associations, such as Tahoe Keys Property Owners Association, to fund expanded microtransit service. Truckee TART supports its microtransit service, TART Connect, in part through contributions from the Glenshire/Devonshire Residents Association and the Tahoe Donner HOA.

ICLEI USA Action Fund

ICLEI, with support from Google.org, has created a fund that invites nonprofit and civil society organizations or consortiums of organizations that have a plan to accelerate the implementation of a city climate action plan while addressing inequality. Each project must have a climate action plan that includes goals related to at least one of the following: sustainable mobility, buildings, solar energy development, air quality management, or urban tree canopies. Funds are directly granted to a nonprofit organization. The City of South Lake Tahoe is currently a finalist for the ICLEI Action Fund, in partnership with the nonprofit organization Sierra Business Council.[27] The outcome of the award will be announced in October 2022.

11.3 Electrification

There is significant commitment among City staff and South Shore stakeholders to continue the region's progress towards the electrification of the transit network. Sustainability was a top priority discussed during the stakeholder focus groups that motivated many stakeholders' interest in public transit. Likewise, among public survey respondents, the second-most commonly selected factor that motivates TTD riders to ride public transit was to reduce one's environmental impact. In its recent GHG Inventory conducted in 2015, transportation represented about 32% of the City's greenhouse gas emissions, the City's second-largest source of emissions. Public agency fleet

[27] Fyfe, Angie. 2022. "Finalists Announced for the ICLEI Action Fund, Round One in the U.S. | ICLEI USA." May 12, 2022. https://icleiusa.org/finalists-announced-for-the-iclei-action-fund-round-one-in-the-u-s/.

electrification, including City and TTD vehicles, is one of the City's highest-priority, near-term policy actions included in its Climate Action Plan, which it adopted in 2020.[28] The Climate Action Plan calls for 50% of public agency fleets to be electric by 2030 and 100%-electric fleets by 2045.

11.3.1 Fixed-Route Electrification

Through its Clean Transit initiative, TTD is committed to providing clean transportation for the area and has won FTA's Low or No Emission for three consecutive years. With these grants, it has acquired three Proterra electric buses that will be used for fixed-route service, as well as several electric retrofitted cutaway buses. The cutaway buses, used in TTD's Complimentary ADA Paratransit service, include Starcraft and retrofitted Phoenix Motorcar models. These vehicles will be charged mid-route, during 10-minute layovers, using overhead pantographs installed at LTCC. The LTCC Mobility Hub, pictured below, includes upgraded passenger waiting areas as well as bicycle parking and repair stations and two overnight charging stations for buses.

While there is limited space for parking and charging electric vehicles, the planned installation of charging stations at LTCC is a promising first step. Other potential locations for electric vehicle charging stations include at TTD's proposed Zephyr Cove maintenance facility, the Stateline Transit Center, and the South Y Transit Center, which currently serve as terminals and potential connecting points between fixed-route and microtransit services. These and other recommendations will be explored further in TTD's Short-Range Transit Plan (in progress, conducted by Stantec) and a forthcoming electrification study.



Figure 42. LTCC Mobility Hub with Electric Bus Charging Station

Source: Tahoe Transportation District

[28] City of South Lake Tahoe. 2020, October. "Climate Action Plan." https://www.cityofslt.us/DocumentCenter/View/14916/SLT-CAP-FINAL.

11.3.2 Microtransit Electrification

The City and SSTMA have each expressed interest in introducing electric vehicles to the Lake Link microtransit fleet.[29] The City is a finalist, in partnership with the Sierra Business Council, in the ICLEI Action Fund, which would provide up to $1 million towards the service's electrification.

Electrification of the Lake Link microtransit fleet presents some challenges that can be mitigated. Currently, as of mid-2022, there are no electric 6+ passenger minivans available in the US today. Another challenge is that many electric vehicle OEMs have not yet produced all-wheel-drive models, which are required during winter months when heavy snowfall makes two-wheel-drive vehicles unsafe to operate on some residential streets. To mitigate this, some portion of the Lake Link fleet will likely need to remain non-electric minivans until electric, four-wheel-drive vehicle models are more widely available. However, both the Canoo Lifestyle and Volkswagen I.D. Buzz are slated to be commercially available sometime in late 2023 and are slated to include all-wheel-drive as well as rear-wheel-drive configurations.

It is possible to leverage available EV's (hybrid-electric minivans with all-wheel drive capability, such as Toyota Sienna or Chrysler Pacifica), given these are compatible with aggregation levels in most markets, and encourage a gradual shift to EV's. Other microtransit services have also deployed electric SUVs, with 4-5 passenger seats, such as the Tesla Model Y or Hyundai Ioniq. Alternatively, some microtransit services, like Sacramento's SacRT SmaRT Ride service, use larger, 18-passenger electric shuttles (e.g. GreenPower EV Star All-Electric Min-eBus) to meet electrification goals.[30] However, these vehicles typically require higher operating costs due to the larger vehicle class and higher driver training and insurance requirements.

The table below outlines the key considerations for evaluating whether or not to select an EV versus an internal combustion-powered vehicle. These considerations include cost, environmental impact, and vehicle layout.

[29] "Free On-Demand Transportation Service Launches in South Lake Tahoe." 2022. South Tahoe Now. July 21, 2022. https://www.southtahoenow.com/story/07/21/2022/free-demand-transportation-service-launches-south-lake-tahoe.
[30] Thompson, Sadiah. 2021. "ZEVs, Service Expansions Power SacRT's Microtransit." June 14, 2021. https://www.metro-magazine.com/10145182/zevs-service-expansions-power-sacrts-microtransit.

Consideration	Benefits and Drawbacks
Cost	Benefits: ● Lower energy cost: The electricity used per km is often cheaper than the fuel used per mile ● Lower maintenance cost: Less wear & tear (e.g., regenerative braking reduces use of brakes), fewer components to be maintained (e.g., no engine oil changes, no starter or generator), less downtime cost Drawbacks: ● Higher list price: Especially battery, high-voltage components and reduced economies of scale increase up-front cost; in the short term this can be mitigated by subsidies and grant programs that may be available for electric vehicles ● Larger fleet size: Due to the time taken to charge the vehicles, a larger number of spare vehicles may be needed compared to a non-electric fleet. ● EV charging station installation: Dedicated EV charging stations for Lake Link vehicles will need to be installed at strategic locations throughout the zone to facilitate overnight and/or mid-shift charging, adding to the project's upfront capital costs. ● All-wheel-drive EV minivans are likely to incur higher costs
Environmental	Benefits: ● Reduced emissions: Locally emission-free service, overall emissions will depend on the electricity source used with up to 100% emission-free transit with energy from renewables ● Reduced noise: No or very quiet engine noise, especially at low speeds and when stopped Drawbacks: ● Potential for increased emissions: Higher emissions during production can only be mitigated over long lifecycle ● Use of rare materials: Rare earths and other elements with questionable supply chains (e.g., environmental/social issues in mining) are used in the production, recycling needs to be increased
Vehicle Layout	Benefit: ● More usable space: More interior space possible due to smaller components at front/back of the vehicle and no transmission tunnel from front engine to rear wheels, batteries use underfloor spaces Drawback: ● Current generation not optimized: Available vehicles are usually conversions from conventional vehicles and do not yet take full advantage of opportunities for electric vehicle layouts

Table 20. Benefits and drawbacks to electric vehicle fleets

11.4 Commingling

11.4.1 ADA paratransit

Commingling microtransit and ADA paratransit trips can improve the overall efficiency of demand-responsive service. Using the same vehicles to transport ADA paratransit and microtransit customers can lead to higher levels of passenger aggregation, and improve the overall productivity of service. The operating agency (whether TTD, a municipal agency, or a JPA) can likely deliver service with a smaller fleet of vehicles than the combined total fleet needed to operate each service separately. Further, the agency has the opportunity to streamline the administration of demand-response services, potentially using a single administrative structure and software platform to manage both services. Doing so could reduce the administrative burden of managing separate services. However, this option is only viable if microtransit service is expanded to the entire city, as in Zone 1 - Citywide Expansion. TTD will need to also take over management of the Lake Link service in order for it to continue to access FTA 5307/5310 funds for paratransit use in the commingled service.

11.4.2 Non-emergency medical transportation

There is also an opportunity to deliver non-emergency medical transportation (NEMT) trips to or from Barton Hospital using the Lake Link microtransit fleet in an expanded, citywide zone. Using the same fleet of vehicles, Lake Link can likely deliver a nominal volume of NEMT trips with relatively few additional revenue-hours, especially when compared to the comparable revenue-hours requirements of serving these trips separately. NEMT trips are reimbursable through Medicaid for eligible customers, and unlike public transit fares, NEMT trips are billed at higher, distance-based rates similar to ride-hail or taxi fares. Accordingly, delivering NEMT trips can provide a new source of revenue for Lake Link. Revenue from NEMT trips has the potential to offset the cost of additional microtransit revenue-hours needed to serve this demand. To begin the process of delivering NEMT trips, SSTMA (or another future manager of the service) should first obtain certification to deliver Medicaid-reimbursable trips from the State of California, then develop an operating plan to deliver these trips using the microtransit fleet.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 18

Agenda Item: Revised Airport Rates and Charges

Executive Summary: The Lake Tahoe Airport, in accordance with Federal Aviation Administration (FAA) regulation and guidance, seeks to appropriately charge for use of its facilities. Revenues from these charges are intended to help the Airport be as financially self-sustaining as possible and to reduce the subsidy provided by the Airport's sponsor, the City of South Lake Tahoe. These rates will be presented by the Airport consultant, Jviation.

Requested Action / Suggested Motions: Pass a Resolution approving a one-year, three-year, or five-year plan for Airport fees beginning January 1, 2023.
Responsible Staff Member: John Dickinson, Airport Manager

Responsible Staff Member: John Dickinson, Airport Manager (530) 542-6182

Reviewed and Approved By:
Anush Nejad, Director of Public Works
Susan Blankenship, City Clerk
Olga Tikhomirova, Finance Director
Heather Stroud, City Attorney

Attachments:

01-Staff Report Airport Rate and Charges Study
02-Resolution-Airport Rates and Fees
03-Presentation
04-General Fund Contributions to Airport FY 2016 to 2022.pdf
05-TVL Rates and Charges Technical Report
06- Lake Tahoe Airport Economic Impact Study

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Adoption of Revised Airport Rates and Charges

Application Location: 1901 Lisa Maloff Way, South Lake Tahoe, CA 96150

Responsible Staff Member: John Dickinson, Airport Manager (530) 542-6182

Background: The Lake Tahoe Airport (Airport), in accordance with Federal Aviation Administration (FAA) regulation and guidance, seek to charge for the use of its facilities appropriately.. Revenues from these charges are intended to help the Airport be as financially self-sustaining as possible and to reduce the subsidy provided by the Airport's sponsor, the City of South Lake Tahoe (City).

To properly assess facility-use fees, the Airport contracted Jviation, a Woolpert Company, to analyze its existing fee structure, complete a survey of peer airport rates and charges, and make recommendations based on the study findings.

Issue and Discussion: The goal of the Airport in evaluating and updating its existing fee structure is to establish a new standard for operations: the elimination of all current subsidies for operating expenses from the City's General Fund and the achievement of a financial position where the Airport is capable of funding ongoing maintenance and capital projects that improve the operator experience and increase the facility's reliability for all users.

Over the past 15 years, the average annual General Fund transfer to subsidize operating and capital expenses for the Airport has been nearly $600,000. A re-evaluation of the fee structure provides an opportunity to reduce and eliminate this subsidy and eventually turn the facility into a self-sufficient operation. Inconsistent facility operations over that same period have contributed indirectly to the amount of this subsidy. The Airport is prone to experience periods of heavy snowfall during the winter months. The failure to open the facility consistently and successfully for business during these events has hindered its ability to recoup operating expenses by limiting fees paid by visiting aircraft while also limiting the Airport's use by its tenants. In addition, the Airport has not been in a financial position to conduct needed maintenance for both the airfield and hangars. By balancing its revenues and expenses, the Airport can operate independently from the City's budget and begin to take steps to provide a consistently excellent and reliable user experience.

This new standard is not only the Airport and City wish to reach and uphold but is also one that the FAA requires of all airport facilities that accept federal grants for airport-related improvements. The Airport has accepted FAA grants to support continued airport operations, making it federally obligated to comply with those grant assurances. Four specific assurances are related to how airports conduct business, establish fees, and spend revenue:

- **22. Economic Nondiscrimination** – The airport must remain available for public use and without unjust discrimination.
- **23. Exclusive Rights** – The airport will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.
- **24. Fee and Rental Structure** – The airport will maintain a fee and rental structure for the facilities and services at the airport, which will make the airport as self-sustaining as possible.
- **25. Airport Revenues** – All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport.

These FAA grant assurances specifically require the Airport and its Sponsor to conduct fair business practices and collect revenue solely to establish self-sufficiency. These federal obligations serve as guiding principles in analyzing the Airport's current financial context and its rates and charges.

The Airport solicited input about the Rates and Charges Study from approximately 200 users, tenants and interested parties. A public meeting to gather input was held on at the Airport on August 31, 2022. Comments received are included in the appendices of the Study.

While the Airport maintains a safe operating environment, it has delayed maintenance on numerous items due to financial constraints which in turn diminish the reliability for airport operators. Staff has evaluated three different rate plans to put the Airport in a position to improve operational reliability and become financially self-sufficient. The increase in revenue provides the means to fund such thing as FAA grant match requirements, acquire equipment, and perform pavement and other needed maintenance on a routine basis.

Financial Implications: The rate plan allows for the City to reduce its subsidy to the Airport as it balances the Airport needs with those of the citizens of South Lake Tahoe. In addition, the rate plan provides the financial resources for the Airport to plan for and conduct maintenance and improvements as required and/or needed. With the one year plan the City would reach a proposed breakeven point of $2,242.00 in net revenue in 2023, with a three year plan the City would reach a proposed breakeven point of $2,725.00 in net revenue in 2025, and with a five year plan the City would reach a proposed breakeven point of $7,507.00 in net revenue in 2027. Either one of these scenarios will help eliminate the City's subsidies for an enterprise funded airport. The tables for these proposals are within the PowerPoint that Jviation will propose in City Council on the 4th of October, you can also find this PowerPoint within the packet material. Finally, with rates going up the City's rent will increase from $2.18 to $2.30 a square foot if one year is chosen, $2.30, $2.42, and $2.54 if the three year is chosen, and if a five year is chosen it will go up $2.30, $2.42, $2.54, $2.66, and $2.80.

The proposed rates and charges effective January 1, 2023, will be established by Resolution if adopted by City Council.

Environmental Considerations: the Rate Study is not approval of a project subject to review under the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15352 and 15378 because it does not commit the City to a definite course of action regarding the projects listed within the Capital Improvement Plan and does not have the potential for resulting in either a direct or reasonably foreseeable indirect physical change to the environment

Policy Implications: The proposed adjustment to the rates will allow the City to operate the airport safely and effectively, by reducing and eliminating General Fund subsidies. It is fiscally a responsible approach to operations and management of the Airport.

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Approving Revised Airport Fees for City Master Schedule of Fees and Charges for City Services 2022-2023

BACKGROUND

A. User fees in California are required to conform to the California Constitution (including Proposition 26). User fees imposed to provide specific services, to cover reasonable regulatory costs to issue licenses and permits and for entrance to or use of city property are generally excluded from the definition of "tax" under Proposition 26. Section 1 (e) of article XIIIC of the California Constitution describes these exceptions.

B. Federal Aviation Administration (FAA) states that "The [Airport] sponsor may impose a fee unilaterally, after consultation with users, if the fee is fully consistent with the [Federal Aviation Administration] Policy on Airport Rates and Charges." The Airport has accepted FAA grants to support continued airport operations, making it federally obligated to comply with those grant assurances. Four specific assurances are related to how airports conduct business, establish fees, and spend revenue:
   - **22. Economic Nondiscrimination** – The airport must remain available for public use and without unjust discrimination.
   - **23. Exclusive Rights** – The airport will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.
   - **24. Fee and Rental Structure** – The airport will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible.
   - **25. Airport Revenues** – All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport.

   These FAA grant assurances specifically require the Airport and its Sponsor to conduct fair business practices and collect revenue solely to establish self-sufficiency. These federal obligations serve as guiding principles in analyzing the Airport's current financial context and its rates and charges.

C. This resolution establishes new fees and maintains other fees currently in place for the Airport.

D. The City of South Lake Tahoe has conducted a Rates and Fees Study to analyze the cost of airport services against other destination resort airports.

   As a matter of City Policy, the Airport wishes to recover the costs of providing special airport services and for entry to and use of Airport property, such that the general fund

revenues are not diverted from general city services to subsidize airport services as long as those charges are consistent with the Federal Aviation Administration *Policy Regarding Airport Rates and Charges*.

E. City staff met with Airport users, tenants, and other interested parties on August 31, 2022, allowing aviation community members to comment on the proposed Airport fees. In addition, the Airport received comments in writing which are included in the September 13, 2022, Rates and Charges Study and provided to City Council. City Council deliberated on comments made by the public ensuring fees are not unjustly discriminatory and are fair and reasonable.

F. New Airport fees will be not assessed retroactively on tenants or customers.

G. It is the intention of the City Council to charge the new fee amounts as set forth in Exhibit A hereto with the implementation date of January 1, 2023. All other Airport fees remain in place as previously adopted March 15, 2022.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Approve the (**one, three, or five)** Year Plan for airport fees as noted in the schedule attached hereto as Exhibit A.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date: _____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

EXHIBIT A – One-Year Plan

One-Year Plan:

Airport		
Fee Description	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023
Offices	square foot or agreement	$2.30
Aviation Use of Airfield	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023
Fuel Flowage fee	per gallon/per agreement	$0.20
Other Fees	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023
Parking	per space	$100
Buildings	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023
All Hangars (Box and Tee)	per square foot	$0.96
All Storage Units (Aeronautical Use)	per square foot	$0.96
All Storage Units (Non-Aeronautical Use)	per square foot	$0.96

Revised Airport Rates and Charges

Three -Year Plan:

Airport				
Fee Description	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025
Offices	square foot or agreement	$2.30	$2.42	$2.54
Aviation Use of Airfield	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025
Fuel Flowage fee	per gallon/per agreement	$0.20	$0.21	$0.22
Other Fees	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025
Parking	per space	$100	$106	$112
Buildings	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025
All Hangars (Box and Tee)	per square foot	$0.66	$0.84	$1.02
All Storage Units (Aeronautical Use)	per square foot	$0.66	$0.84	$1.02
All Storage Units (Non-Aeronautical Use)	per square foot	$0.72	$0.84	$1.02

Revised Airport Rates and Charges

Five-Year Plan:

Airport						
Fee Description	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025	Adopted Fee 10/4/2022 Effective 1/1/2026	Adopted Fee 10/4/2022 Effective 1/1/2027
Offices	square foot or agreement	$2.30	$2.42	$2.54	$2.66	$2.80
Aviation Use of Airfield	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025	Adopted Fee 10/4/2022 Effective 1/1/2026	Adopted Fee 10/4/2022 Effective 1/1/2027
Fuel Flowage fee	per gallon/per agreement	$0.20	$0.21	$0.22	$0.23	$0.24
Other Fees	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025	Adopted Fee 10/4/2022 Effective 1/1/2026	Adopted Fee 10/4/2022 Effective 1/1/2027
Parking	per space	$100	$106	$112	$118	$124
Buildings	Unit	Adopted Fee 10/4/2022 Effective 1/1/2023	Adopted Fee 10/4/2022 Effective 1/1/2024	Adopted Fee 10/4/2022 Effective 1/1/2025	Adopted Fee 10/4/2022 Effective 1/1/2026	Adopted Fee 10/4/2022 Effective 1/1/2027
All Hangars (Box and Tee)	per square foot	$0.63	$0.78	$0.93	$1.08	$1.21
All Storage Units (Aeronautical Use)	per square foot	$0.63	$0.78	$0.93	$1.08	$1.21
All Storage Units (Non-Aeronautical Use)	per square foot	$0.72	$0.78	$0.93	$1.08	$1.21





LAKE TAHOE AIRPORT

RATES AND CHARGES STUDY

South Lake Tahoe City Council Meeting
October 4, 2022

JVIATION
A WOOLPERT COMPANY



Agenda

- Why Are We Doing a Rates & Charges Study?
- Project Overview
- Analysis
- Findings
- Recommendation

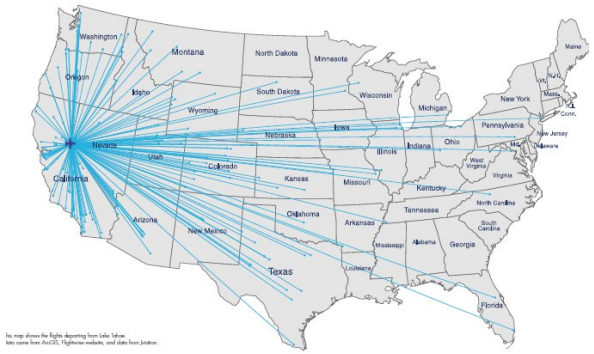
Why Are We Doing the Rates & Charges Study?

Increasing need for maintenance and improvement projects that have been delayed due to financial constraints:

- Maintenance (Hangars, Tree Removal, Pavement Maintenance, and NAVAID Upgrades)
- FAA Grant Assurances (29 Assurances total)
- CIP Projects
- Self-Sustaining Enterprise Fund
- Personnel Needs

Economic Impact Study
(University Center for Economic Development, UN, Reno)

- LTA (Lake Tahoe Airport) Tenants spent 6.10 million in SLT (South Lake Tahoe) California Study Area
- LTA Airport Passengers spent 2.32 million in SLT California Study Area
- LTA generates Approx. 20.6 million in annual economic output and supports 215 jobs



FAA Grant Assurances

22. Economic Nondiscrimination – The airport must remain available for public use and without unjust discrimination.

23. Exclusive Rights – The airport will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

24. Fee and Rental Structure – The airport will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible.

25. Airport Revenues – All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport

Project Goals

Position the Airport to:

- Improve Airport operational reliability for users
  - Reliable and appropriate equipment
  - Improved pavement conditions
  - Replacement of NAVAIDS
- Become financially self-sufficient
  - FAA match requirement for federal grants (typically 90/10)
  - Reserve fund to cover non-eligible airport capital needs (CEQA/TRPA)
  - Substantial reduction/elimination of City subsidy

Project Scope

- Data Collection and Analysis
  - Airport Data
  - Commercial Office Space Data
  - Data Analysis and Reporting
- Outreach
  - Meeting with Tenants and Users
  - Meeting with FBO
- Recommendations
  - City Council Presentation

Market Analysis

- FAA relies on local entities to set rates and charges
- Fees must be legal, fair and reasonable
- Market analysis substantiates “fair and reasonable”
- Goal is to make airport as financially self-sustaining as possible
- Revenue use is for airport purposes only
- Must not unjustly discriminate against aeronautical users or user groups

Survey Participants

Destination/Resort Airports

Airports

- RBF - Big Bear, CA
- BIH - Bishop, CA
- MMH - Mammoth, CA
- TRK - Truckee Tahoe, CA
- ASE - Aspen, CO
- EGE - Eagle, CO
- HDN - Hayden, CO
- TEX - Telluride, CO
- RIL – Rifle, CO
- SBS - Steamboat Springs, CO
- DIJ - Driggs, ID
- SUN - Hailey, ID
- HCR - Heber City, UT
- PVU - Provo, UT
- JAC - Jackson Hole, WY

Real Estate

- NAI TahoeSierra
- Local RV/Boat Storage companies

	Standardized Landing Fee (12,500lb aircraft)	Fuel Flowage Fees (gallon)	Airport Building Lease (sq. ft./month)	Local Building Lease (sq. ft./month)	Ground Lease (sq. ft./month)	Local Covered Boat/RV Storage
TVL	$37.25	$0.11	$1.77	$2.18	$0.32	
Low	$8.13	$0.05	$0.73	$1.69	$0.03	$0.61
Median	$40.25	$0.12	$1.79	$2.25	$0.35	$0.70
High	$248.00	$0.20	$8.18	$3.32	$0.85	$0.77

	Tiedowns (month)	T-Hangars (sq. ft./month)	Box Hangars (sq. ft./month)	Auto Parking (one space/month)	RV Parking (two spaces/month)	Local Uncovered Boat/RV Storage
TVL	$75	$0.48	$0.43	$28	$56	$0.16
Low	$40	$0.12	$0.14	$25	$56	$0.21
Median	$67	$0.20	$0.36	$110	$100	$0.58
High	$206	$0.90	$0.50	$250	$625	$1.37

Summary of Findings

Unconstrained Capital Program

PROJECT	YEAR	TOTAL	ENTITLEMENT/BIL	APPORTIONMENT/ DISCRETIONARY	LOCAL
Master Plan Ph. 1	2023	$500,000	$150,000	$300,000	$50,000
Taxilane D Rehab	2023	$413,800	$318,000		$95,800
Taxilane	2023	$300,000			$300,000
Airfield - CEQA	2024	$250,000	$0	$0	$250,000
Airfield - Rehab	2024	$1,416,667		$1,275,000	$141,667
Localizer and PAPI	2024	$200,000			$200,000
Master Plan Ph. 2	2024	$200,000	$150,000	$30,000	$20,000
Terminal Maint.	2024	$190,800	$159,000		$31,800
Airfield - Rehab	2025	$3,750,000	$150,000	$3,225,000	$375,000
Equipment	2025	$1,200,000	$960,000		$240,000
Tree Removal	2025	$1,500,000	$1,200,000		$300,000
3-YEAR OUTLOOK		$9,921,267	$3,087,000	$4,830,000	$2,004,267

Constrained Capital Program

PROJECT	YEAR	TOTAL	ENTITLEMENT/BIL	APPORTIONMENT/ DISCRETIONARY	LOCAL
Master Plan Ph. 1	2023	$500,000	$150,000	$300,000	$50,000
Taxilane D Rehab	2023	$413,800	$318,000		$95,800
Taxilane	2023	$300,000			$300,000
Localizer and PAPI	2024	$200,000			$200,000
Master Plan Ph. 2	2024	$200,000	$150,000	$30,000	$20,000
Terminal Maintenance	2024	$190,800	$159,000		$31,800
Equipment	2025	$1,200,000	$960,000		$240,000
Tree Removal	2025	$1,500,000	$1,200,000		$300,000
3-YEAR OUTLOOK		$4,504,600	$2,937,000	$330,000	$1,237,600

Capital Fund Goal

Year	Unconstrained Local Need	Constrained Local Need
2023	$712,467	$445,800
2024	$376,800	$251,800
2025	$915,000	$540,000

Annual Local Capital Fund Goal*

$500,000

*Does not include increase in operations budget (such as additional airport staff)

Public Comment

- The Airport met solicited comments from approximately 200 users, tenants and interested parties
- A public meeting was held on August 31, 2022, at the Airport to gather input from those interested parties
- A public comment log is attached to the Rates and Charges Study (Appendix A) and a summary of the meeting is attached as well (Appendix B)
- Predominant concerns were focused on a variety of issues including hangar rates increases, market analysis approach, business impact, prior commitments and maintenance needs

Initial Phased Fee Implementation

Fee Type	Existing 2022	Phase 1 2023	Phase 2 2024	Phase 3 2025
Parking – monthly per space	$28	$50	$75	$100
City Hall – per square foot	$2.18	$2.30	$2.30	$2.30
Offices – per square foot	$1.77	$2.30	$2.30	$2.30
Hangars – per square foot	$0.48	$0.60	$0.72	$0.84
Fuel – per gallon	$0.11	$0.14	$0.17	$0.20

Revised Fee Revenue

- Key Assumptions
  - 5% annual CPI following Phase 3
  - Only addresses capital improvement program (not airport operations)

	Existing 2021	Phase 1 2023	Phase 2 2024	Phase 3 2025
REVENUES	$936,270	$1,138,439	$1,264,758	$1,391,120
OPERATING EXP	$941,986	$988,539	$1,037,966	$1,089,864
REV – OPER	-$5,716	$149,899	$226,792	$301,256
CAPITAL EXP	$600,000	$600,000	$600,000	$600,000
REV – (OPER + CAP)	-$605,716	-$450,101	-$373,208	-$298,744

Rate Adjustment Plans

- Focused on reducing/eliminating City subsidy
- Created three options
  - One Year
  - Three Year
  - Five Year

One-Year Plan

Fee Type	Existing 2022	Phase 1 2023	2023 Adjustment Compared to Survey Data Range
Parking – monthly per space	$28	$100	Near range median
City Hall – per square foot	$2.18	$2.30	Exceeds range median
Offices – per square foot	$1.77	$2.30	Exceeds range median
Hangars – per square foot	$0.48	$0.96	Exceeds top of market range
Fuel – per gallon	$0.11	$0.20	Top of market range

One-Year Plan

- Key Assumptions
  - Only addresses capital improvement program (not airport operations)

	Existing 2021	Phase 1 2023
REVENUES	$936,270	$1,490,781
OPERATING EXP	$941,986	$988,539
REV – OPER	-$5,716	$502,242
CAPITAL EXP	$500,000	$500,000
REV – (OPER + CAP)	-$505,716	$2,242

Three-Year Plan

Fee Type	Existing 2022	Phase 1 2023	Phase 2 2024	Phase 3 2025	2023 Adjustment Compared to Survey Data Range
Parking – monthly per space	$28	$100	$106	$112	Near range median
City Hall – per square foot	$2.18	$2.30	$2.42	$2.54	Exceeds range median
Offices – per square foot	$1.77	$2.30	$2.42	$2.54	Exceeds range median
Hangars – per square foot	$0.48	$0.66	$0.84	$1.02	Top of market range
Fuel – per gallon	$0.11	$0.20	$0.21	$0.22	Top of market range

Assumptions:

- Assumes expenses increase by 5% annually
- Parking, building and fuel flowage increased at 5% following 2023

Three-Year Plan

- Key Assumptions
  - 5% annual CPI following Phase 3
  - Only addresses capital improvement program (not airport operations)

	Existing 2021	Phase 1 2023	Phase 2 2024	Phase 3 2025
REVENUES	$936,270	$1,237,557	$1,414,456	$1,592,590
OPERATING EXP	$941,986	$988,539	$1,037,966	$1,089,864
REV – OPER	-$5,716	$249,018	$376,490	$502,725
CAPITAL EXP	$500,000	$500,000	$500,000	$500,000
REV – (OPER + CAP)	-$505,716	-$250,982	-$123,510	$2,725

Five-Year Plan

Fee Type	Existing 2022	Phase 1 2023	Phase 2 2024	Phase 3 2025	Phase 4 2026	Phase 5 2027	2023 Adjustment Compared to Survey Data Range
Parking – monthly per space	$28	$100	$106	$112	$118	$124	Near range median
City Hall – per square foot	$2.18	$2.30	$2.42	$2.54	$2.66	$2.80	Exceeds range median
Offices – per square foot	$1.77	$2.30	$2.42	$2.54	$2.66	$2.80	Exceeds range median
Hangars – per square foot	$0.48	$0.63	$0.78	$0.93	$1.08	$1.21	Top of market range
Fuel – per gallon	$0.11	$0.20	$0.21	$0.22	$0.23	$0.24	Top of market range

Assumptions:

- Assumes expenses increase by 5% annually
- Parking, building and fuel flowage increased at 5% following 2023

Five-Year Plan

- Key Assumptions
  - 5% annual CPI following Phase 3
  - Only addresses capital improvement program (not airport operations)

	Existing 2021	Phase 1 2023	Phase 2 2024	Phase 3 2025	Phase 4 2026	Phase 5 2027
REVENUES	$936,270	$1,212,193	$1,363,727	$1,516,496	$1,670,563	$1,809,082
OPERATING EXP	$941,986	$988,539	$1,037,966	$1,089,864	$1,144,358	$1,201,575
REV – OPER	-$5,716	$223,654	$325,760	$426,632	$526,205	$607,507
CAPITAL EXP	$500,000	$500,000	$500,000	$600,000	$600,000	$600,000
REV – (OPER + CAP)	-$505,716	-$276,346	-$174,240	-$173,368	-$73,795	$7,507

Summary of Rate Adjustment Plans

One-Year Plan

Year	Fuel Flowage (per gallon)	Building Leases (per sq foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$1.77	$604	$28
2023	$0.20	$2.30	$1,208	$100

Three-Year Plan

Year	Fuel Flowage (per gallon)	Building Leases (per sq foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$1.77	$604	$28
2023	$0.20	$2.30	$830	$100
2024	$0.21	$2.42	$1,057	$106
2025	$0.22	$2.54	$1,283	$112

Five-Year Plan

Year	Fuel Flowage (per gallon)	Building Leases (per sq foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$1.77	$604	$28
2023	$0.20	$2.30	$793	$100
2024	$0.21	$2.42	$981	$106
2025	$0.22	$2.54	$1,170	$112
2026	$0.23	$2.66	$1,359	$118
2027	$0.24	$2.80	$1,522	$124

Assumptions:

- Assumes expenses increase by 5% annually
- Parking, building and fuel flowage increased at 5% following 2023

Recommendation - Three-Year Plan

- Provides graduated adjustments
- Allows Airport to plan for and execute capital projects
- Achieves self-sustaining Airport fund for capital projects

Fee Type	Existing 2022	Phase 1 2023	Phase 2 2024	Phase 3 2025
Parking – monthly per space	$28	$100	$106	$112
City Hall – per square foot	$2.18	$2.30	$2.42	$2.54
Offices – per square foot	$1.77	$2.30	$2.42	$2.54
Hangars – per square foot	$0.48	$0.66	$0.84	$1.02
Fuel – per gallon	$0.11	$0.20	$0.21	$0.22

Future Outlook and Revenue Generation Options

- Hangar Build (Privatized or City Built)
- Fire Station (Joint Venture with City, State, and Federal Agencies)
- Non-Aeronautical Uses (Rental Car Facilities)
- Minimum Standards Update



Thank You

- Hilary Fletcher
  Jviation, a Woolpert Company
- Nick Johnson
  Johnson Aviation

	Object Codes						
	35323	36300	36300				
	General Fund Contributions to the Airport (actuals)						
Fiscal Years	**Rent**	**Operating Transfer**	**Capital Transfer**	**Project**	Account	Reason	
FY 2015/2016	277,140	52,795	170,000	AIRPORT MASTER PLAN STUDY	501-80032	Airport CEQA analysis for Airport Master Plan - Direct	
			(48,293)	AIRPORT MASTER PLAN STUDY	501-80032	Returned to the GF	Approved 4/3/18 mid-year
			(255)	PAVEMENT PLAN	501-80035	Returned to the GF	Approved 4/3/18 mid-year
			42,115	GA RAMP RECONSTRUCTION #3	501-80037	GF Local Match	
			(68,048)	GA RAMP RECONSTRUCTION #3	501-80037	Returned to the GF	
Total FY contibutions			**$ 425,454**				
FY 2016/2017	277,140	58,500	181,835	GA RAMP RECONSTRUCTION #3	501-80037	Contract changes contributions (90% reimbursed from FAA)	
			18,300	AIRPORT LAND USE COMPATIBILITY	501-80038	GF Local Match for State of Aeronautics Grant	
			262,282	GA RAMP RECONSTRUCTION IV	501-80040	GF Local Match to meet 8% contingency ($65,203 transferred to other Airport CIP)	
Total FY contibutions			**$ 798,057**				
FY 2017/2018	277,140	152,459	(68,048)	GA RAMP RECONSTRUCTION #3	501-80037	Returned to the GF - Corrected Airport CIP Project after receipt of Cal Trans Funding	
			417,712	AIRPORT VEG MGMT	501-80041	Direct funding - vegetation mgt study, tree removal	
			91,856	AIRPORT ACCESS SYSTEM	501-80042	Direct funding - airport access system	
Total FY contibutions			**$ 871,119**				
FY 2018/2019	277,140	294,918	35,879	AIR APRON RECON - PHASE V	501-80043	GF Local Match for FAA grant	
			243,870	GA RAMP RECON V	501-80044	GF Local Match for FAA grant and 8% contingency	
Total FY contibutions			**$ 851,807**				
FY 2019/2020	277,140	234,234	641,000	AIRPORT HANGAR PAVE REHAB	501-80046	Direct Funding	
Total FY contibutions			**$ 1,152,374**				
FY 2020/2021	277,140	346,115	-				
Total FY contibutions			**$ 623,255**				
FY 2021/2022	277,140	356,932	32,110	AIRFIELD AREA	501-05130	Jviation study on relocating future PAPI, direct funding	
			250,000	AIRFIELD AREA	501-05130	multi-purpose tractor purchase, direct funding	
Total FY contibutions to date			**$ 916,182**				

LAKE TAHOE AIRPORT

RATES AND CHARGES STUDY

September 13, 2022

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1.0 INTRODUCTION

The Lake Tahoe Airport (Airport), in accordance with Federal Aviation Administration (FAA) regulation and guidance, seeks to appropriately charge for use of its facilities. Revenues from these charges are intended to help the Airport be as financially self-sustaining as possible and to reduce the subsidy provided by the Airport's sponsor, the City of South Lake Tahoe (City). To properly assess facility-use fees, the Airport contracted Jviation, a Woolpert Company to conduct an analysis of its existing fee structure, complete a survey of peer airports' rates and charges, and make recommendations based on the study findings. The results of this analysis are the foundation for any recommended changes to the existing airport fee structure.

1.1 Background

The goal of the Airport in evaluating and updating its existing fee structure is to establish a new standard for operations: the elimination of all existing subsidy for operating expenses from the City's General Fund and achievement of a financial position where the Airport is capable of funding ongoing maintenance and capital projects that enhance the experience and increase the facility's reliability for all users.

Over the past 15 years, the average annual General Fund transfer to subsidize operating and capital expenses for the Airport has been nearly $600,000. A reevaluation of the fee structure provides an opportunity to over time, reduce and eliminate this subsidy and eventually turn the facility into a self-sufficient operation. Inconsistent facility operations over that same period have contributed indirectly to the amount of this subsidy. The Airport is prone to experience periods of heavy snowfall during the winter months. The failure to open the facility consistently and successfully for business during these events has hindered its ability to recoup operating expenses through fees paid by visiting aircraft, while also limiting the Airport's use by its own tenants. By balancing its revenues and expenses, the Airport can operate independently from the City's budget and begin to take steps to provide a consistently excellent user experience.

This new standard is one that not only the Airport and City wish to reach and uphold but is also one that the FAA requires of all airport facilities that accept federal grants for airport-related improvements. The Airport has accepted FAA grants to support continued airport operations, making it federally obligated to comply with those grant assurances.[1] Four specific assurances are related to how airports conduct business, establish fees, and spend revenue:

- **22. Economic Nondiscrimination** – The airport must remain available for public use and without unjust discrimination.
- **23. Exclusive Rights** – The airport will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

[1] Federal obligations or assurances are a standard part of airport sponsors receiving airport improvement grants from the FAA to plan, build, and improve airport facilities. The full list of grant assurances is available at: https://www.faa.gov/airports/aip/grant_assurances

- **24. Fee and Rental Structure** – The airport will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible.
- **25. Airport Revenues** – All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport.[2]

These FAA grant assurances specifically require the Airport and its Sponsor to conduct fair business practices and collect revenue solely to establish self-sufficiency. These federal obligations serve as guiding principles in analyzing the Airport's current financial context and its rates and charges.

Recent efforts to improve the financial sustainability of the Airport originated in 2019 from a South Lake Tahoe City Council request to evaluate potential new revenue sources that would facilitate Airport self-sufficiency. Airport Management conducted a review of California general aviation airport charges and gathered feedback from tenants and users (over a 60-day comment period from November 4, 2019, to February 4, 2020) on the impact of the proposed revisions. Results from this previous effort included changes to the Airport's landing fees. In addition, this previous exploration determined that revenue from private development of additional aircraft hangars and new recreational vehicle storage facilities would not lead to financial self-sufficiency.[3]

The City of South Lake Tahoe City Hall occupies approximately 10,000 square feet of the 15,000-square foot airport terminal building, with a lease that expired in May 2022. The lease is currently on a month-to-month basis past this date and will be renegotiated at a point after the conclusion of this study. The Airport must take steps to ensure that the lease rate, as well as all rates and charges, are at fair market value. It is intended that proposed changes to the rates and charges will assist the Airport maximize revenue-generating resources to their highest and best use, while also remaining competitive with peer airports and fairly assessing Airport users.

[2] Airport Improvement Program Assurances for Airport Sponsors, February 2020
[3] City of South Lake Tahoe Report to City Council, January 14, 2020

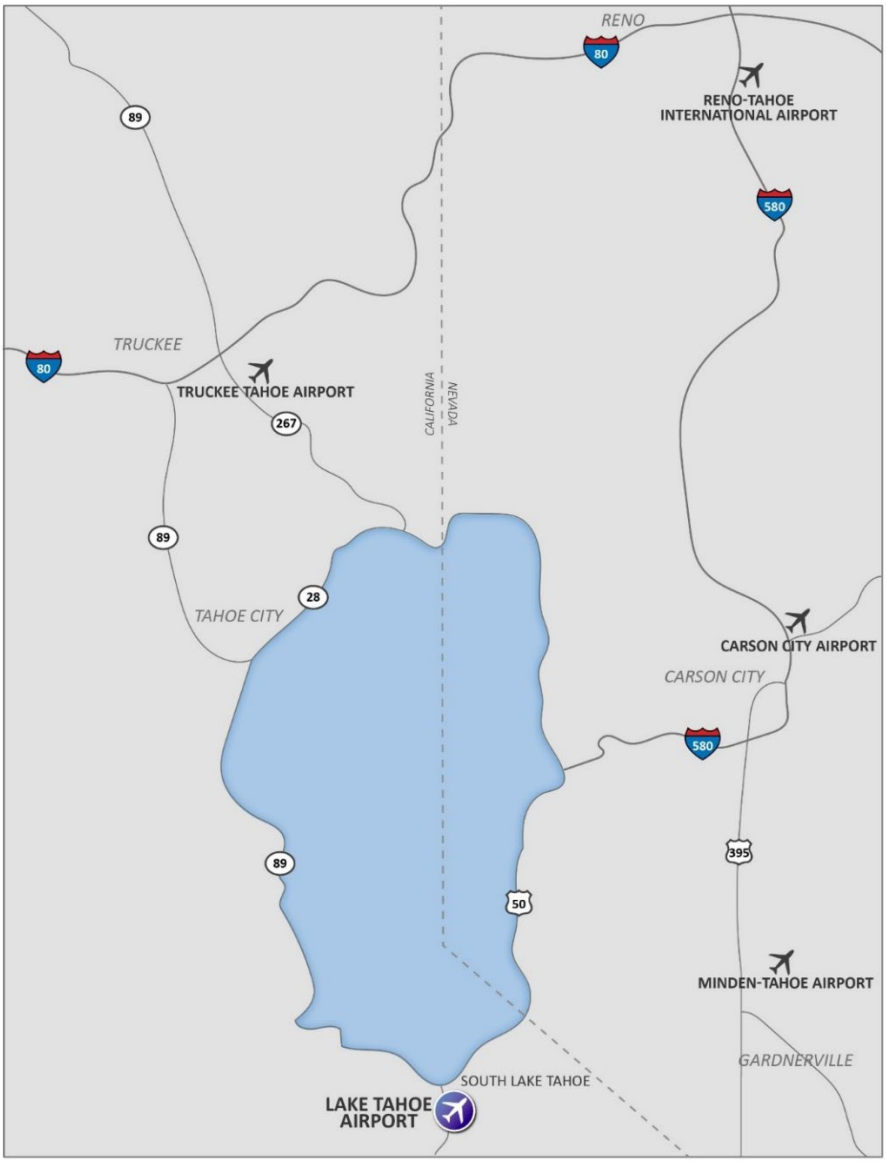
2.0 EXISTING CONDITIONS

The Lake Tahoe Airport is in El Dorado County, California at the southern end of Lake Tahoe. The region's communities—in California and Nevada near and around Lake Tahoe—are guided by the Tahoe Regional Planning Agency (TRPA). **Figure 2-1** provides an overview of the Airport's general location within the area as well as the location of other nearby airports.

The Airport opened in 1959 as an all-purpose facility intended to serve commercial, military, and general aviation aircraft. From its origin, the facility has supported air ambulance and aerial firefighting activities: two critical components of living in a mountain region. Over the years, the Airport has seen the reduction of services, the eventual elimination of commercial air service, and the decommissioning of its control tower in 2004. Today, the Airport primarily serves general aviation users visiting the area for business and recreation, while still supporting an air ambulance base and seasonal firefighting activity. An estimated 26,000 operations take place at the Airport on an annual basis, with nearly three quarters of that traffic belonging to transient aircraft. While transient traffic is a major aspect of airport operations, all hangars are leased, and the Airport maintains a waiting list of approximately 30 aircraft owners that desire to rent a hangar when on becomes available.

South Lake Tahoe and nearby municipalities operate in a resort community environment: summer activities are centered around Lake Tahoe and winter activities are offered by ski resorts in nearby mountain communities. Events such as the American Century Championship, a celebrity golf tournament hosted at Edgewood Tahoe Golf Course in Stateline, Nevada, bring in aircraft from around the country during the busy summer season. During the winter season, snow removal at the Airport poses a major obstacle for operations and stands as one of the largest annual expenses. The following sections address the Airport's financial situation and existing facility offerings to contextualize the rates and changes analysis.

FIGURE 2-1: LAKE TAHOE AIRPORT AREA MAP

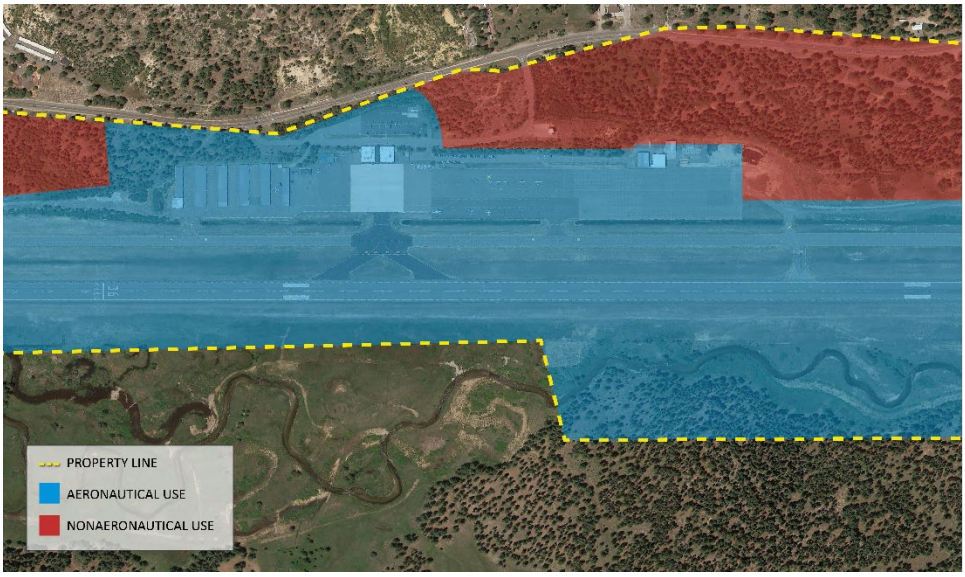


Source: Jviation, a Woolpert Company

2.1 Facilities

Facilities generating revenue at the Airport fall under two categories: Aeronautical sources and Non-Aeronautical sources. The proceeding sections define these sources and which Airport facilities fall under each designation. **Figure 2-2** illustrates the physical layout of aeronautical and non-aeronautical uses at the Airport.

FIGURE 2-2: AIRFIELD USES



Source: Google Earth and Jviation, a Woolpert Company

2.1.1 Aeronautical

Aeronautical facilities at the Airport include those primarily used by aircraft, such as operating surfaces (runways, taxiways, aprons), hangars, and the Fixed-Base Operator (FBO). The aeronautical facilities have associated fees that support ongoing Airport operation. Landing fees, tiedown charges, and hangar leases all generate revenue. The Airport's 8,541-foot-long runway can support nearly all types of corporate and military aircraft, while the apron consists of approximately 750,000 square feet to host based and transient aircraft. The terminal building also hosts aeronautical-related businesses including a helicopter tour company and flight instructor that lease building space from the Airport.

2.1.2 Non-Aeronautical

Non-aeronautical facilities include those not typically used by aircraft or aviation-related businesses. Aside from aeronautical-related tenants and airport users, the Airport terminal building also hosts non-aeronautical organizations and businesses. These users include City Hall, a restaurant, real estate firm, and other local businesses. Automobile and recreational vehicle parking are also considered non-aeronautical uses and occupy a parking lot just west of the terminal building. The parking at this lot is uncovered and exposed year-round. There are also several ground leases of Airport property, including a rooftop solar array and a lease by the Lake Tahoe Community College Fire Science Academy, which are non-aeronautical but generate revenue and have no effect on airfield operation.

2.2 Finances

The Lake Tahoe Airport currently operates as one of four City Enterprise Funds, along with Parking Garages, Transit, and Parking Management. Per the South Lake Tahoe Annual Budget, "Enterprise Funds are used to account for activities that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user fees." The Airport's status as an Enterprise Fund requires recouping costs of operations through fees applied to user activity and limiting its reliance on subsidy from the City's General Fund. Establishing an understanding of the Airport's budget in relation to the City's operations helps place the Airport in proper financial context.

2.2.1 Airport Budget

For fiscal year 2022, the City projected $110.0M in revenues and $114.2M in expenses across all 56 funds. The Enterprise Funds are estimated to receive $3.5M in revenue and incur $2.8M in expenses, resulting in net revenues of $0.7M. Considering the operating expenses by all City departments, the Airport makes up 1% of the City's expenses.

The continued operation of the Airport by the City is directly tied to grant assurances that accompanied FAA funding. The Annual Budget description for the Airport consists of the following:

> Lake Tahoe Airport is a General Aviation airport that is operated and maintained in accordance with all applicable State and Federal regulations governing public use airports serving general aviation. The airport strives to maintain facilities in accordance with commercial service airport standards. Additionally, the City of South Lake Tahoe has accepted numerous FAA grants thus obligating the City to operate the airport in accordance with various Federal grant assurances.[4]

The Airport's role within the Lake Tahoe community has been previously studied and quantified through an economic impact study by the University Center for Economic Development at the University of Nevada, Reno. This study revealed the Airport generates $20.6 million in annual economic output, supports 215 jobs, and contributes a number of qualitative benefits to the region.

Federal stimulus programs resulting from the COVID-19 pandemic have provided monetary benefits for operating and capital expenditures that instantly impacted the City's budget and will continue to assist the Airport's finances over the next few years. The Airport received, or is slated to receive, the following amounts from federal programs:

- **Coronavirus Aid, Relief, and Economic Security Act (CARES), 2020** - $30,000

[4] City of South Lake Tahoe, California 2022 Annual Budget Fiscal Year 2021-2022, Adopted 8.17.2021

- **Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), 2021** - $13,000
- **American Rescue Plan Act (ARPA), 2021** - $32,000
- **Bipartisan Infrastructure Law (BIL), 2022-2027** - $159,000 annually

While these programs have provided relief from the immediate impacts of COVID-19, they cannot be relied upon long term to help buoy the Airport's budget.

Over the previous five years, efforts have been made to minimize the financial support provided by the City's General Fund. **Table 2-1** illustrates that, while operating losses have been standard over that timeframe, the Airport has increased revenues.

TABLE 2-1: LAKE TAHOE AIRPORT HISTORIC OPERATING ACTUALS

Year	Operating Revenues	Operating Expenses	Operating Profit/Loss
2017	$813,891	$925,017	$(111,126)
2018	$885,867	$1,006,041	$(120,174)
2019	$910,249	$739,568	$170,681
2020	$914,719	$1,094,717	$(179,998)
2021	$970,849	$941,986	$28,863
AVERAGE	**$899,115**	**$941,466**	**$(42,351)**

Source: Revenues and Expenses by Fiscal Year from Fund 501, Airport. City of South Lake Tahoe
Note: Depreciation line item removed from Operating Expenses

The recent evaluation of California general aviation airport charges by Airport staff, and the undertaking of this report indicate that the Airport strives to eliminate the subsidy provided by the City's General Fund. While proper management of operating expenses is a key component of fulfilling the Airport's mission of financial self-sufficiency, this report primarily focuses on Airport operating revenues and the corresponding rates and charges that generate those revenues.

2.2.2 Airport Operations and Capital Projects

Overall, the Airport is supported by fees paid by users of its facilities. A review of Airport operating revenues determined that hangar rental income and terminal building leases make up approximately 75 percent of revenues. T-hangars and Box hangars are in high demand at the Airport, with all hangars currently at capacity along with a waitlist of interested aircraft owners that desire covered, secure storage. The Airport terminal building previously provided space for commercial airline service but has been repurposed to serve as South Lake Tahoe City Hall and office space for airport-centric businesses and non-aeronautical users. Building rent paid by the City's General Fund to the Airport Enterprise Fund makes up approximately 30 percent of all operating revenues. **Table 2-2** provides fiscal year (FY) 2020 to 2021 revenues for consistent year-to-year budget line items for the Airport.

TABLE 2-2: LAKE TAHOE AIRPORT FISCAL YEAR 2021 REVENUE[5]

Description	Budgeted Revenue
Airport Terminal	
Rent – Cars – Airport	$15,914
Rent – Buildings	$277,140
Rent – Booths (Airport)	$45,059
Rent – Car Parking	$7,594
Bar & Restaurant	$10,392
Airfield Area	
Landing Fees	$87,203
Rent – Hangars	$374,587
Rent – Ramp (Airport)	$63,219
Fuel Flow Fees (Airport)	$45,162
TOTAL	**$926,270**

Source: Lake Tahoe Airport

Historically, revenue in the form of transfers from the City's General Fund have subsidized the Airport's operating and capital expenditure responsibilities. Transfers to address operating expenses occur throughout the fiscal year to assist the ongoing operation of the facility while transfers for capital expense are typically one-time and, in most cases, serve as a smaller percentage, or match, of a larger grant provided by the FAA for improvements to the Airport. If no grant is available to support the capital project, the Airport must fully fund the capital expenditure. **Table 2-3** outlines transfers from the General Fund over the past five fiscal years.

TABLE 2-3: LAKE TAHOE AIRPORT TRANSFERS FROM GENERAL FUND

Fiscal Year	Operating Transfer	Capital Transfer	Total Transfers
2017	$58,500	$462,417	$520,917
2018	$152,459	$509,568	$662,027
2019	$294,918	$279,749	$574,667
2020	$234,234	$641,000	$875,234
2021	$346,115	$0	$346,115
AVERAGE	$217,245	$473,184	

Source: Lake Tahoe Comprehensive Annual Financial Report, Fiscal Years Oct. 1 to Sept. 30

The Airport has required transfers from the City's General Fund to subsidize ongoing operations. As illustrated in **Table 2-1** revenues exceeded operating expenses in 2021. While the operational budget is close to breaking even on an annual basis, the Airport is still responsible for local match requirements for any FAA project (typically 10 percent) and is fully responsible for any non-eligible FAA project. As illustrated in

[5] Revenues displayed in this table do not encompass all airport revenues, but rather items that can be consistently relied upon to produce revenue on annual basis.

Table 2-3 the average General Fund transfer to support capital improvements has exceeded $450,000 and has been as high as $641,000.

To properly plan for future capital projects and earn enough revenues to cover these expenses, unconstrained and constrained scenarios for development were analyzed. These scenarios include projects listed on the Airport's capital improvement plan and additional equipment and projects identified in discussion with airport management. The unconstrained scenario includes all projects that have been identified as critical to the Airport's ongoing operation, while the constrained scenario considers project feasibility when planning around the realistic funding that will be available to the Airport.

TABLE 2-4: UNCONSTRAINED THREE-YEAR CAPITAL PLAN (2023-2025)

Project Year	Project Name	Total Cost	Local Funds Required
2023	Master Plan Phase 1	$500,000	$50,000
2023	Taxilane D Rehab	$413,800	$95,800
2023	Taxilane Hangars Rehab	$300,000	$300,000
2024	Airfield Rehab – CEQA	$250,000	$250,000
2024	Airfield Rehab – Design	$1,416,667	$141,667
2024	Localizer and PAPI	$200,000	$200,000
2024	Master Plan Phase 2	$200,000	$20,000
2024	Terminal Maintenance	$190,800	$31,800
2025	Airfield Rehab - Construction	$3,750,000	$375,000
2025	Snow Blower and Loader	$1,200,000	$240,000
2025	Tree Removal	$1,500,000	$300,000
3-Year Outlook		$9,921,267	$2,004,267

Source: Airport Capital Improvement Plan and Identified Needs
CEQA – The California Environmental Quality Act

TABLE 2-5: CONSTRAINED THREE-YEAR CAPITAL PLAN (2023-2025)

Project Year	Project Name	Total Cost	Local Funds Required
2023	Master Plan Phase 1	$500,000	$50,000
2023	Taxilane D Rehab	$413,800	$95,800
2023	Taxilane Hangars Rehab	$300,000	$300,000
2024	Localizer and PAPI	$200,000	$200,000
2024	Master Plan Phase 2	$200,000	$20,000
2024	Terminal Maintenance	$190,800	$31,800
2025	Snow Blower and Loader	$1,200,000	$240,000
2025	Tree Removal	$1,500,000	$300,000
3-Year Outlook		$4,804,600	$1,267,600

Source: Airport Capital Improvement Plan

In the constrained scenario, on an annual basis the airport will need at least $420,000 on average to meet capital needs. To begin building a reserve for future years and to ensure the airport is financially self-sufficient into the future, it is recommended the airport budgets for $600,000 in annual capital expenses, in addition to typical yearly operating expenses.

3.0 DATA COLLECTION

To establish points of comparison for the Airport's existing rates and charges, 15 peer airports, representing communities in the mountain west with resort-style socioeconomic profiles similar to South Lake Tahoe, were chosen. The 15 airports are outlined in **Table 3-1**.

TABLE 3-1: PEER AIRPORTS SURVEYED

FAA ID	Airport Name	City	State
L35	Big Bear City Airport	Big Bear	CA
BIH	Bishop Airport	Bishop	CA
MMH	Mammoth Yosemite Airport	Mammoth Lakes	CA
TRK	Truckee-Tahoe Airport	Truckee	CA
ASE	Aspen-Pitkin County Airport	Aspen	CO
EGE	Eagle County Regional Airport	Eagle	CO
HDN	Yampa Valley Airport	Hayden	CO
RIL	Rifle Garfield County Airport	Rifle	CO
SBS	Steamboat Springs Airport	Steamboat Springs	CO
TEX	Telluride Regional Airport	Telluride	CO
DIJ	Driggs-Reed Memorial Airport	Driggs	ID
SUN	Friedman Memorial Airport	Hailey	ID
HCR	Heber Valley Airport	Heber	UT
PVU	Provo Municipal Airport	Provo	UT
JAC	Jackson Hole Airport	Jackson	WY

Source: Jviation, a Woolpert Company

Rates and charges at these peer airports were researched online and obtained for analysis where possible. Once existing data sources were established, surveys for each of the 15 airport managers were distributed with prepopulated information to encourage participation and eliminate redundancies. Emails and phone calls were used for follow-up correspondence with airport contacts.

Though data availability varied by airport, with some posting all fees publicly and others only posting select information, fee information was collected for 14 of the study airports. Eight airport managers completed the online survey while another four verified via interview that the current rates and charges posted online reflected the best available data.

Since building lease rates for non-aeronautical uses are dictated by local economic conditions, data was collected via commercial real estate listings in the South Lake Tahoe area. These listings provided a sample of office, retail, and industrial use spaces with corresponding lease rates. Other information, such as building age and total square footage, was collected for comparison to the terminal building conditions at the Airport.

4.0 ANALYSIS

The Airport's existing rates and charges were benchmarked against the low, median, and high values of rates collected from peer airports and local commercial real estate listings. Specific revenue-generating sources with reasonable comparison points were chosen for analysis and are outlined in the proceeding sections.

Table 4-1: Summary of Findings provides a summary of data analyzed through this process, with associated narrative relating the analysis of peer airports to Lake Tahoe Airport's current rates and charges for each category.

TABLE 4-1: SUMMARY OF COMPARABLE RATES

	Standardized Landing Fee (12,500lb aircraft)	Fuel Flowage Fees (gallon)	Airport Building Lease (sq. ft. / month)	Local Building Lease (sq. ft. / month)	Ground Lease (sq. ft. / month)	Tiedowns (month)
TVL	*$37.25*	*$0.11*	*$1.77*	*$2.18*	*$0.32*	*$75*
Low	$8.13	$0.05	$0.73	$1.69	$0.03	$40
Median	$40.25	$0.12	$1.79	$2.25	$0.35	$67
High	$248.00	$0.20	$8.18	$3.32	$0.85	$206

	T-Hangars (sq. ft. / month)	Box Hangars (sq. ft. / month)	Local Storage (sq. ft. / month)	Local RV Parking (sq. ft. / month)[6]	Airport Auto Parking (monthly)	Airport RV Parking (monthly)
TVL	*$0.48*	*$0.43*	*$0.71*	*$0.16*	*$28*	*$56*
Low	$0.12	$0.14	$0.61	$0.21	$25	$56
Median	$0.20	$0.36	$0.77	$0.58	$110	$100
High	$0.90	$0.50	$3.75	$3.00	$250	$625

Source: Lake Tahoe Airport, Study Airports, and Jviation, a Woolpert Company

4.1 Landing Fees

The Airport charges a variable rate landing fee depending on the time of year and aircraft weight. Lake Tahoe Airport is unique in its approach to seasonal landing fees, with Truckee-Tahoe Airport as the only other surveyed airport to maintain peak/off-peak differences in landing fees. At Lake Tahoe, aircraft less than 6,000 pounds do not pay a landing fee while other transient aircraft are charged per 1,000 pounds. The FBO, Mountain West Aviation, collects the landing fee on behalf of Airport staff and remits 75 percent back to the Airport, per the lease agreement.

As recently as 2020, the Airport evaluated the possibility of contracting with a third-party provider to automate landing fee billing and collection. The Airport is similar to

[6] Charged as $56 per month for two parking spaces. Cost translated to sq. ft. to match local market rates for uncovered storage.

other surveyed airports in that aircraft are not charged a landing fee if less than a specified weight. Three peer airports use Vector Airport Systems, an automated billing and collections service for aircraft landing fees and paid an initial upfront cost to purchase equipment and a pay percentage of fees to Vector for the service. The City ultimately decided to not move forward with pursuing Vector Airport Systems as an alternative to landing fee collection by the FBO.

Due to the multiple methods used by peer airports in applying a landing fee, a standardized fee was developed to reflect what a 12,500-pound aircraft would pay at each peer airport. In completing this comparison, Lake Tahoe bracketed the median of $40.25, with an off-peak rate of $37.25 and a peak rate of $44.63. For reference, the low at peer airports is $8.13 with a high of $248.00.

4.2 Fuel Flowage Fees

The FBO remits an $0.11 fuel flowage fee for each gallon of Avgas and Jet A fuel sold or delivered at the Airport. This fee has not been altered since the Fuel License Agreement was signed between the City and Mountain West Aviation in December 2007. This fee is in addition to several other taxes associated with fuel sales, including an 8.75 percent sales tax on Jet A, a Federal Excise Tax of 24.4 cents per gallon, and a State Excise Tax of two cents per gallon. There is also a District Tax that is paid to the City of South Lake Tahoe that amounted to $7,993.98 in 2021 as noted by the FBO.

When comparing the current fuel flowage fee to peer airports, Lake Tahoe is near the median of $0.12 per gallon. Data collection shows that the lowest comparative fuel flowage fee is $0.05 with the highest fee at $0.20. Per the Fuel License Agreement, the fuel flowage fee is “subject to change following City’s periodic modification of its Master Fee Schedule.”

4.3 Building Leases

For this revenue component, leases at peer airports and a collection of local real estate listings were compared to the Airport’s current lease rates. The Airport holds leases with aeronautical and non-aeronautical businesses and charges a monthly rate of $1.77 per square foot. As discussed previously, the City of South Lake Tahoe City Hall facility leases approximately 10,000 square feet in the terminal building. The previous lease agreement ran from May 2017 to May 2022 at a rate of approximately $2.18 per square foot, per month.

The use of peer airports in analyzing building lease rates brings up three potential factors that negatively influence the datasets. First, in some instances airports do not actually lease any building space, but rather provide ground leases for tenants to construct their own space. Second, nine of the fifteen airports feature commercial service carriers, which can lead to higher terminal rents due to demand for space. Third, building lease rates for aeronautical and, especially, non-aeronautical tenants are highly influenced by each local real estate market’s conditions, and may not align exactly with the market in South Lake Tahoe’s commercial real estate market. For reference purposes, the low airport building lease rate is $0.73 per square foot per month, while the high is $8.18 per square foot per month.

Due to the factors described above, it was determined local rates may reflect demand for office and retail space more accurately than comparisons to the rates offered at peer airports. Listings in the South Lake Tahoe area ranged in size, with lease spaces spanning from 30 square feet to 19,960 square feet. Building age also varied, with a median age of 50 years (buildings constructed in 1972) for posted listings; the oldest building was constructed in 1938 while the latest construction occurred in 2016. For comparison, the Lake Tahoe Airport terminal building offers lease spaces ranging from 81 square feet to 10,606 square feet and was constructed in 1969.

The comparison of local real estate listings illustrated that the lowest rate offered monthly is $1.69 per square foot and the highest rate is $3.32 per square foot. The median rate for all listings is $2.25 per square foot.

4.4 Ground Leases

Development at the Airport is subject to Tahoe Regional Planning Agency (TRPA) regulations for land cover to help conserve soils, prevent excess water runoff, and protect sensitive lands. Much of the Airport is in the Class 1B land capability area, where allowable coverage is limited to one percent. The Airport exceeds this one percent threshold by approximately 3 million square feet, thereby limiting development potential. Due to TRPA regulations, no building developments with an associated ground lease have been constructed in recent years.

The Airport currently maintains ground leases with REACH Air Medical and the Lake Tahoe Community College Fire Science Academy. There is also a "ground lease" with a company providing solar panels on the rooftops of three of the hangar structures. Since the solar panels do not constitute vertical construction, an agreement similar to a ground lease was used for the area covered by the panels. Per the Airport's posted rates and charges, the rate for a ground lease per square foot is $0.32.

When comparing this rate to peer airport ground leases, it falls just below the median of $0.35 per square foot. The low for peer airports is $0.03 with the high at $0.85.

4.5 Hangar Leases and Storage Units

The Airport owns 50 hangars that are leased to airport users and collectively generate the highest percentage of revenue. Hangar sizes offered by the Airport range from approximately 1,071 square feet for T-hangars to 3,600 square feet for box hangars. The Airport charges approximately $0.43 per square foot for box hangars and $0.48 per square foot for T-hangars, per month on a month-to-month basis.

Compared to rates offered at peer airports, the Airport is significantly higher than the median T-hangar rate of $0.20. The lowest rate for T-hangars is $0.12 while the highest rate is $0.90. When considering box hangar rates, the Airport is closer to—but exceeds—the median rate of $0.36. The lowest box hangar rate is $0.14 while the highest rate is $0.50.

The hangar facilities also include several units not large enough to accommodate aircraft that are being used for storage purposes. These units are charged a non-

aeronautical use rate of approximately $0.71 per square foot. Rates from covered storage units in the Lake Tahoe area were collected, which generated a median rate of $0.70 per square foot per month.

4.6 Tiedowns

The Airport charges anywhere from $75 to $110 per aircraft and collects revenue from aircraft tiedowns on monthly basis. This rent is submitted to Mountain West Aviation and remitted to the Airport. Tiedowns are also available at the Airport on a nightly basis, but per its agreement, Mountain West Aviation retains the revenue collected. When comparing monthly tiedown rates at peer airports, Lake Tahoe Airport is slightly above the median of $67 per month. The low rate for monthly tiedowns is $40 while the highest rate is $206.

4.7 Automobile, Recreational Vehicle, and Boat Parking/Storage

Uncovered parking at the Airport is offered monthly for automobiles, recreational vehicles, and boats at a rate of $28 per parking space. Since the Airport does not explicitly charge for recreational vehicle or boat storage, a rate of $56 dollars was assumed since multiple current users pay for two spaces to accommodate these items. When accounting for parking lot square footage, the effective rate charged to users is approximately $0.16 per square foot. There are also seven storage units in the hangar complexes that are too small to store aircraft and are rented as storage units. These spaces were evaluated as covered storage and are charged approximately $0.71 per square foot per month.

Rates for auto and RV parking were collected from peer airports and compared to the dollar rate offered by the Airport for uncovered parking ($28 for automobiles and $56 for RVs/boats). Lake Tahoe Airport falls well below the median of $110 per month for automobile parking when considering rates from peer airports. The lowest monthly rate for parking at peer airports is $25 while the highest rate is $250. For recreational vehicles, Lake Tahoe offers the lowest rate among peer airports at $56, with the median price of $100 and a high of $625.

Additionally, the rates of local RV and boat storage facilities were analyzed and compared to the square foot rates used for uncovered parking in the Airport lot and covered storage offered in the hangar complex. The $0.16 per square foot rate for uncovered parking at the Airport falls below the lowest rate found in Lake Tahoe region which came in at $0.21; the median rate for uncovered storage is $0.58 per square foot, while the high is up to $3.00 per square foot. The Airport's covered storage rate of $0.71 per square foot is above the lowest rate offered at $0.61, but below the median rate of $0.77. The highest covered storage facility rate found in the data is $3.75. Parking and storage facility rates varied widely, due to amenities, available space, and location in the Lake Tahoe area.

4.8 Ground Transportation Operations

Enterprise provides rental car services from an off-airport location and, per the rental car business permit, remits ten percent of gross sales to the Airport. Only one other airport reported an off-airport rental car company permit, which required a 14 percent remittance. Nine of the surveyed airports have rental car companies as terminal tenants, so many of their agreements introduce additional complexities such as building rent, counter rent, per trip fees, and parking space fees.

Other rates found at peer airports include charges for transportation network companies (TNCs) per trip made to the airport which ranged from $3 to $3.25. Lake Tahoe does institute an annual $677 transportation company operation fee. Truckee-Tahoe maintains a similar charge but at a slightly higher rate of $848 per year.

4.9 Other Revenue Sources

Mountain West Aviation signed a 30-year concession agreement with the Airport that runs through 2041. The FBO maintains a leasehold on approximately 37,250 square feet of building and apron space, with a rate that is adjusted annually by the changes to the Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area. From a review of peer airports, the FBO typically takes one of three forms: management by airport staff, an agreement with a national brand, or an agreement with a regional or local independent brand. Six study airports either currently, or have plans to, maintain, and operate their own FBO brand under Airport Management. Four airports contract with Atlantic Aviation, a notable FBO brand with locations around the country. The balance of the peer airports have agreements with regional or local brands, which aligns with Lake Tahoe Airport's existing operations.

Three of the respondent airports identified special-use cases for aerial firefighting, while five identified fees for filming on airport property. As mentioned earlier, these operations are highly susceptible to forces outside of the airport's control and are primarily in place to recoup costs rather than to generate revenue that supports other airport operations.

5.0 FINDINGS

Review of Lake Tahoe Airport's revenue sources, existing fee structure, and data collected from study airports, as well as discussions with airport support staff, led to several key findings that further contextualize the development of budget scenarios and recommendations:

- The Airport's lease with the Flight Deck, the restaurant and bar operator, lasts through 2027 at an annual rate of $24,889. The Airport's agreement with the FBO lasts through 2041 with annual CPI increases.
- The Airport receives revenue from monthly tiedowns, as evidenced in provided lease records. The City's published rate schedule lists a daily tiedown fee ($11 for daily use and $23 for overnight), but it is unclear how much revenue is derived from this source.
- Rent collected from the City Hall lease consists of nearly 30 percent of all airport revenues while occupying nearly 70 percent of the Airport terminal building.
- Receipts from landing and fuel flowage fee collection were not available for review. Changes to revenue from the existing variable landing fee by aircraft weight are difficult to predict. The revenue scenarios developed assume similar aircraft traffic and fleet mix frequenting the Airport.
- The Airport is proposing to make available additional parking spaces for RV and boat storage in the terminal parking lot which could potentially increase the revenues from that source past what is included in the future scenarios.
- All janitorial, custodial, and utility expenses associated with the Airport currently fall under the Airport Terminal Building expense account. Incorporating these costs based on percent share of rented space in the terminal could help reduce the Airport's operating expenses.
- Future expenses only accommodate the Airport's current employment structure, without any budgeting for expansion of airport staff to help address ongoing maintenance and operations issues.
- The Airport is responsible for future matching funds for all FAA grants and maintains a list of capital improvements that are entirely funded by the Airport. Future revenues will need to account for planned capital improvements.

The series of recommendations in the next section outlines recommended actions the City and Airport can take to further financial sustainability and maintain the level of service offered to users.

6.0 SUMMARY

This assessment of rates and charges at the Lake Tahoe Airport, in comparison to other peer airports in mountain west resort communities and local market conditions, provides an opportunity to improve the Airport Enterprise Fund's financial position and continue a path to becoming a self-sufficient entity in line with FAA guidance. This section summarizes the analysis through three budgeted revenue scenarios and provides additional considerations for the Airport to consider into the future. These scenarios and notes were developed to help improve the Airport's position and reduce the General Fund subsidy required for operational and capital expenses.

6.1 Immediate Actions

Immediate actions constitute decisions that the Airport and City can make within the coming years to alter rate and charges and subsequently improve operating revenues.

As requested by staff, three rate increase scenarios were developed to illustrate how any proposed changes would impact the Airport's ability to cover operating expenses and begin contributing towards FAA grant match requirements and locally funded capital projects. Due to the extent of Airport maintenance and development needs, the rate increase scenarios assume that the Airport will require $500,000 to $600,000 on an annual basis to cover capital expenses. Subsequent tables outline each scenario.

6.1.1 One-Year Plan

Table 6-1 outlines budgeted revenues and expenses while **Table 6-2** summarizes the changes under the one-year rate increase plan.

TABLE 6-1: BUDGETED REVENUE SCENARIO – ONE-YEAR INCREASE

Description	FY 2021	2023
Airport Terminal		
Rent – Cars – Airport[7]	$15,914	$16,709
Rent – Buildings[8]	$277,140	$292,726
Rent – Booths (Airport)[9]	$45,059	$55,504
Rent – Car Parking[10]	$7,594	$46,753
Bar & Restaurant	$10,392	$24,890
Airfield Area		
Landing Fees	$87,203	$87,203
Rent – Hangars	$374,587	$811,665
Rent – Ramp (Airport)[11]	$63,219	$63,219
Fuel Flow Fees (Airport)	$45,162	$82,113
State Grant	$10,000	$10,000
TOTAL REVENUES	**$936,270**	**$1,490,781**
TOTAL OPERATING EXPENSES	**$941,986**	**$988,539**
OPERATING BUDGET RESULT	**$(5,716)**	**$502,242**
CAPITAL PROJECT EXPENSES	**$500,000**	**$500,000**
COMBINED BUDGET RESULT	**$(505,716)**	**$2,242**

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

[7] Revenue from Enterprise Rental Car Agreement
[8] City Hall
[9] Other office space
[10] Cars, boats, and recreational vehicles in parking lot
[11] FBO Lease Agreement with Mountain Aviation

TABLE 6-2: NEW RATES AND CHARGES UNDER ONE-YEAR PLAN

Rate Category	Recommended Action	Current Rate	2023
Landing Fees	Retain current rates.	Variable, by aircraft weight and season	-
Fuel Flowage	Increase current rate.	$0.11 per gallon	$0.20
Building Leases	Increase current rate to match South Lake Tahoe real estate market median. Retain annual CPI increases.	$1.77 - $2.18 per square foot per month	$2.30
Ground Leases	Market rate as necessary for any new agreements	$0.32 per square foot	-
Hangar Leases	Increase current rates to breakeven and retain annual CPI increases.	$0.43 - $0.48 per square foot per month	$0.96
Storage Units	Retain current rate and annual CPI increases.	$0.72 per square foot per month	$0.74
Tiedowns	Retain current rates.	$75 per month	$75
Automobile & RV Parking	Increase current rate.	$28 per space	$100
Ground Transport	Retain current rates.	Variable by transport type	-
Other Sources	Retain current rates.	Variable by specific source	-

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

6.1.2 Three-Year Plan

Table 6-3 outlines budgeted revenues and expenses while **Table 6-4** summarizes the changes under the three-year rate increase plan.

TABLE 6-3: BUDGETED REVENUE SCENARIO – THREE-YEAR INCREASE

Description	FY 2021	Phase 1 (2023)	Phase 2 (2024)	Phase 3 (2025)
Airport Terminal				
Rent – Cars – Airport[12]	$15,914	$16,709	$17,545	$18,422
Rent – Buildings[13]	$277,140	$292,726	$307,362	$322,730
Rent – Booths (Airport)[14]	$45,059	$55,504	$58,729	$61,193
Rent – Car Parking[15]	$7,594	$47,174	$49,533	$52,010
Bar & Restaurant	$10,392	$24,890	$24,890	$24,890
Airfield Area				
Landing Fees	$87,203	$87,203	$87,203	$87,203
Rent – Hangars	$374,587	$558,019	$710,207	$862,394
Rent – Ramp (Airport)[16]	$63,219	$63,219	$63,219	$63,219
Fuel Flow Fees (Airport)	$45,162	$82,113	$86,219	$90,530
State Grant	$10,000	$10,000	$10,000	$10,000
TOTAL REVENUES	**$936,270**	**$1,237,557**	**$1,414,456**	**$1,592,590**
TOTAL OPERATING EXPENSES	**$941,986**	**$988,539**	**$1,037,966**	**$1,089,864**
OPERATING BUDGET RESULT	**$(5,716)**	**$249,018**	**$376,490**	**$502,725**
CAPITAL PROJECT EXPENSES	**$500,000**	**$500,000**	**$500,000**	**$500,000**
COMBINED BUDGET RESULT	**$(505,716)**	**$(250,982)**	**$(123,510)**	**$2,725**

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

[12] Revenue from Enterprise Rental Car Agreement
[13] City Hall
[14] Other office space
[15] Cars, boats, and recreational vehicles in parking lot
[16] FBO Lease Agreement with Mountain Aviation

TABLE 6-4: NEW RATES AND CHARGES UNDER THREE-YEAR PLAN

Rate Category	Recommended Action	Current Rate	2023	2024	2025
Landing Fees	Retain current rates.	Variable, by aircraft weight and season	-	-	-
Fuel Flowage	Increase current rate.	$0.11 per gallon	$0.20	$0.21	$0.22
Building Leases	Increase current rate to match South Lake Tahoe real estate market median. Retain annual CPI increases.	$1.77 - $2.18 per square foot per month	$2.30	$2.42	$2.54
Ground Leases	Market rate as necessary for any new agreements	$0.32 per square foot	-	-	-
Hangar Leases	Increase current rates to breakeven and retain annual CPI increases.	$0.43 - $0.48 per square foot per month	$0.66	$0.84	$1.02
Storage Units	Retain current rate and annual CPI increases.	$0.72 per square foot per month	$0.74	$0.77	$0.80
Tiedowns	Retain current rates.	$75 per month	$75	$75	$75
Automobile & RV Parking	Increase current rate.	$28 per space	$100	$106	$112
Ground Transport	Retain current rates.	Variable by transport type	-	-	-
Other Sources	Retain current rates.	Variable by specific source	-	-	-

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

6.1.3 Five-Year Plan

Table 6-5 outlines budgeted revenues and expenses while **Table 6-6** summarizes the rates changes under the five-year rate increase plan.

TABLE 6-5: BUDGETED REVENUE SCENARIO – FIVE-YEAR INCREASE

Description	FY 2021	2023	2024	2025	2026	2027
Airport Terminal						
Rent – Cars – Airport[17]	$15,914	$16,709	$17,545	$18,422	$19,343	$20,310
Rent – Buildings[18]	$277,140	$292,726	$307,362	$322,730	$338,866	$355,810
Rent – Booths (Airport)[19]	$45,059	$55,504	$58,279	$61,193	$64,252	$67,465
Rent – Car Parking[20]	$7,594	$47,174	$49,533	$52,010	$54,610	$57,341
Bar & Restaurant	$10,392	$24,890	$24,890	$24,890	$24,890	$24,890
Airfield Area						
Landing Fees	$87,203	$87,203	$87,203	$87,203	$87,203	$87,203
Rent – Hangars	$374,587	$532,655	$659,478	$786,300	$913,123	$1,023,036
Rent – Ramp (Airport)[21]	$63,219	$63,219	$63,219	$63,219	$63,219	$63,219
Fuel Flow Fees (Airport)	$45,162	$82,113	$86,219	$90,530	$95,056	$99,809
State Grant	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
TOTAL REVENUES	**$936,270**	**$1,212,193**	**$1,363,727**	**$1,516,496**	**$1,670,563**	**$1,809,082**
TOTAL OPERATING EXPENSES	**$941,986**	**$988,539**	**$1,037,966**	**$1,089,864**	**$1,144,358**	**$1,201,575**
OPERATING BUDGET RESULT	**$(5,716)**	**$223,654**	**$325,760**	**$426,632**	**$526,205**	**$607,507**
CAPITAL PROJECT EXPENSES	**$500,000**	**$500,000**	**$500,000**	**$600,000**	**$600,000**	**$600,000**
COMBINED BUDGET RESULT	**$(505,716)**	**$(276,346)**	**$(174,240)**	**$(173,368)**	**$(73,795)**	**$7,507**

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

[17] Revenue from Enterprise Rental Car Agreement
[18] City Hall
[19] Other office space
[20] Cars, boats, and recreational vehicles in parking lot
[21] FBO Lease Agreement with Mountain Aviation

TABLE 6-6: NEW RATES AND CHARGES UNDER FIVE-YEAR PLAN

Rate Category	Recommended Action	Current Rate	2023	2024	2025	2026	2027
Landing Fees	Retain current rates.	Variable, by aircraft weight and season	-	-	-	-	-
Fuel Flowage	Increase current rate.	$0.11 per gallon	$0.20	$0.21	$0.22	$0.23	$0.24
Building Leases	Increase current rate to match South Lake Tahoe real estate market median. Retain annual CPI increases.	$1.77 - $2.18 per square foot per month	$2.30	$2.42	$2.54	$2.66	$2.80
Ground Leases	Market rate as necessary for any new agreements	$0.32 per square foot	-	-	-	-	-
Hangar Leases	Increase current rates to breakeven and retain annual CPI increases.	$0.43 - $0.48 per square foot per month	$0.63	$0.78	$0.93	$1.08	$1.21
Storage Units	Retain current rate and annual CPI increases.	$0.72 per square foot per month	$0.74	$0.77	$0.80	$0.84	$0.88
Tiedowns	Retain current rates.	$75 per month	$75	$75	$75	$75	$75
Automobile & RV Parking	Increase current rate.	$28 per space	$100	$106	$112	$118	$124
Ground Transport	Retain current rates.	Variable by transport type	-	-	-	-	-
Other Sources	Retain current rates.	Variable by specific source	-	-	-	-	-

Source: Lake Tahoe Airport and Jviation, a Woolpert Company analysis

6.1.4 Plan Comparison

All plans use similar rate increase strategies, which in most instances involves raising the rate to the top of the observed market range in the analysis and enacting CPI increases in subsequent years. Hangar lease rates are an exception, as the changes vary depending on the year the Airport breaks even in each plan. For comparison, **Table 6-7**, **Table 6-8**, and **Table 6-9** illustrate rates for each plan.

TABLE 6-7: ONE-YEAR PLAN

Year	Fuel Flowage (per gallon)	City Hall (per square foot)	Building Leases (per square foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$2.18	$1.77	$604	$28
2023	$0.20	$2.30	$2.30	$1,208	$100

Source: Jviation, a Woolpert Company analysis

TABLE 6-8: THREE-YEAR PLAN

Year	Fuel Flowage (per gallon)	City Hall (per square foot)	Building Leases (per square foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$2.18	$1.77	$604	$28
2023	$0.20	$2.30	$2.30	$830	$100
2024	$0.21	$2.42	$2.42	$1,057	$106
2025	$0.22	$2.54	$2.54	$1,283	$112

Source: Jviation, a Woolpert Company analysis

TABLE 6-9: FIVE-YEAR PLAN

Year	Fuel Flowage (per gallon)	City Hall (per square foot)	Building Leases (per square foot)	Hangar Leases (per month)	RV/Boat Parking (per space)
Current	$0.11	$2.18	$1.77	$604	$28
2023	$0.20	$2.30	$2.30	$793	$100
2024	$0.21	$2.42	$2.42	$981	$106
2025	$0.22	$2.54	$2.54	$1,170	$112
2026	$0.23	$2.66	$2.66	$1,359	$118
2027	$0.24	$2.80	$2.80	$1,522	$124

Source: Jviation, a Woolpert Company analysis

6.1.5 Additional Considerations

To ensure the Airport is properly gauging demand for all types of storage (aircraft/automobile/RV/boat), it is recommended that a non-refundable deposit be collected from those individuals on any airport waitlist. This deposit can eventually be applied to the first month's rent if provided a storage location.

Finally, receipts should be collected from the FBO for all landing fees, monthly tiedowns, and daily and overnight aircraft parking fees. Collecting receipts allows the Airport to better project revenues from these sources and evaluate airport demand.

Each evaluated scenario helps ensure that the Airport is moving towards a self-sufficient budget for operating and capital expenditures. While these represent immediate actions that help move the Airport in a direction of self-sufficiency, there are other intermediate and long-term considerations outlined in the following sections that can be developed for additional revenue generation.

6.2 Intermediate Opportunities

Intermediate opportunities are those that may arise over the next three to ten years. Outside of immediate increases to the Airport's rates and charges, these other opportunities can improve the Airport Enterprise Fund's annual financial position in this intermediate time frame.

The Airport Master Plan provides the Airport an opportunity to analyze how its land is developed to its highest and best use and can allow the Airport to identify areas where new revenue sources can be developed within its property limits.

A challenge to conducting such an analysis outside of the master planning process is the complex Tahoe Regional Planning Agency (TRPA) land credit system. The Airport Master Plan is a tested and proven process that can identify a path forward that conforms with FAA, TRPA, and Airport goals. The Airport currently maintains a bank of TRPA development credits that can be strategically used to generate additional revenue from ground leases, building leases, or hangars. Key considerations in this process will involve how new development interacts with the environment, addresses aging or obsolete facilities such as the control tower and terminal building and provides safe and functional operational areas for current and potential aeronautical users.

Another intermediate consideration that may dovetail with the master planning process is the identification of a long-term solution for the City of South Lake Tahoe City Hall. The Airport's terminal building, intended for use by commercial air carriers, is primarily used as local government office space. Determining whether City Hall is a continued reasonable use of Airport property, what other options exist for a City Hall facility, and if the Airport can find an aeronautical tenant capable of using either the existing space or an alternative development site on Airport property are critical considerations that can potentially lead to new opportunities for the facility.

6.3 Long-Range Possibilities

Long-range possibilities should be thought of in terms of how the Airport wishes to operate in ten to twenty years. The most important change in this timeframe will be the renegotiation or expiration of the FBO agreement with Mountain West Aviation around the year 2041.

Finally, the Airport should seek to become fully self-sustaining for all future operating and capital expenditures by developing aeronautical land for additional hangar space and non-aeronautical land for storage and other uses, through utilization of the Airport's TRPA credits. Development is a crucial component to eliminating the General Fund subsidy and creating a budget scenario that eventually produces surpluses that can be used for improvements, equipment, and maintenance.

6.4 Summary

In closing, as a public asset and economic generator for the community and surrounding region, the Airport's infrastructure is reaching a point where needed and necessary capital improvements must be made. Without taking action to address the current financial state of the Airport, the facility will continue to require significant allocations from the City's General Fund, which is an infeasible long-term approach to airport operations. An increase in Airport rates and charges maximizes the City's ability to leverage $1 of local money for $9 of Federal dollars for Airport projects and contributes to any required airport projects that are ineligible for FAA funding. Evaluating and adjusting these rates and charges is essential to ensuring a sound financial plan for maintaining the Airport to FAA and industry standards in the years to come.

APPENDIX A

Lake Tahoe Airport – Rates & Charges Study
Stakeholder Tenant/User Meeting
August 31, 2022
Meeting Summary

Seth Dallol
Michael Swijacz
Michael Golder
Greg Felton
Jose Allen
Mario Filice

Others:
City Staff: Joe Irvine, Anush Nejad, and John Dickinson
Consultants: Hilary Fletcher, Jviation and Nick Johnson, Johnson Aviation

1. Introduction – John Dickinson, Airport Manager
   - Welcome and thank you for attending
   - Current work at the Airport is focused on maintenance and reliability; tree removal; pavement maintenance
   - Future projects – Airport Master Plan, potential CalFire base
   - Deferred maintenance
   - 3 employees
   - Enterprise fund of the City that can be self-sustaining

2. Joe Irvin – City Manager
   - New team at the City and the Airport. Working together to set the Airport on a stronger financial path
   - Want to hear input and ideas from tenants and users of the Airport
   - Introduced Anush Nejad, Public Works Manager – City has significant deferred maintenance; Airport needs hangars; FAA provides significant capital improvement grants that require 10 percent local match
   - John Dickinson is new and was hired to bring focus and energy to the Airport enterprise

3. Hilary Fletcher – Jviation project lead
   - Background and overview of Rates and Charges study
     - Operational reliability
     - Financially self-sufficient
     - Reduce City subsidy
     - Provide 10% match for federal grants
     - CEQA environmental requirements for development projects; not eligible for federal grants but required for projects
     - TRPA permit required for development
     - Airport Master Plan and TRPA permit needed for additional federal grant funds

- Meeting participants comments and questions about the study:
    - Airports Survey for Rates
        - Add Carson City
        - Add Minden
        - Commercial property rates
    - Back-up data on rates analysis – want to see more details
    - Destination airports
    - Michael Golden
        - Airport competition with 5 airports
        - Apples to oranges between TVL and other destination airports
        - Disadvantaged with taxes CA vs NV on fuel and property
        - Other airports have less weather to deal with – snow removal
        - Out of area – attractive
        - Last 20 years traffic decline
        - Year after year increased fees
        - Don't believe that improvements will be made
        - Economic Impact Study in the past showed Airport contributes to local economy
    - Tenant in office building – 12 years
        - Net Jets and similar users limited by company policy on winds and rising terrain
        - Dangerous airport
        - County Airport
        - Demographics of residents?
    - Greg Felton – Hanger 5
        - process from here?
    - Alternatives; why pay a premium?
    - Michael Golder, FBO Manager – fees are too high, and hangars filled with boats

- Hilary Fletcher (finished presentation)
    - Summary of study findings
    - List of Capital Improvement Program (CIP) needs
    - Study included Constrained CIP needs - $600K/year included is less than the total CIP needs
    - Rates and Charges change over 3 years but remain short of breakeven
    - Need local match (approx. 10%) for federal grants to make capital improvements
    - Finalize recommendations and present to City Council for adoption of new rates and charges

4. Anush Nejad, Public Works Director
- Rate increases difficult – spread over 3 years
- Still not in the black
- FAA regulations require effort by City to be self-sustaining
- $500k in deficit in City for deferred maintenance
- City already subsidizing airport by renting space at Airport and paying shortfalls
- Rates may be too high and drive out some users

5. Additional User Comments and Discussion

- Seth Dallol, new resident
  - TVL is a destination airport
  - Wealthy folks are majority users
  - Charge more to visitors
- Michael Golden, FBO Manager
  - One big financial mess
  - 15-20 years (16 years) running FBO
  - Easy lever to raise fees
  - What is City going to do to raise utilization of airfield?
  - Sales tax on jet fuel is big disadvantage
  - No fuel flow fee at Truckee
  - Transient users can ferry in fuel and avoid buying at TVL
  - Landing Fee is disadvantage
  - City Hall needs to pay full cost
  - Hangars are full but not all have aircraft
  - Need Hangar Inspection
  - 30% non-aeronautical use estimated
  - Believes hangars in high demand is bogus
- Nick Johnson re: Market Rates
  - Increase operations to spread costs
  - Years of degradation of airport facilities; need repairs
  - Believes snow removal equipment was given to City
    - Discussion about snow removal equipment available and new equipment coming this snow season
    - Discussion about snow blower shaft breaking last year and delay in getting replacement during snowstorm; closed airport for extended period; hurt operations and reliability
    - City purchased parts and spares to be better prepared this year
- Other additional comments on study and Airport in general:
  - Need marketing plan
  - Displaced threshold removal after trees are trimmed
  - NAVAIDS are being repaired and back online
  - Everybody can get behind paying more with better reliability and service
  - How do we know the City will follow through on changes?
  - Biggest obstacle – snow removal; snow on ramp
  - Fuel truck access to fuel farm during snowstorms
  - Need part time seasonal employees for snow removal
  - More money into airport from other sources; charge casinos $250k each
  - Need more hangars
  - Increase aircraft operations in projection [study held operations constant to be conservative on projections]
  - 55 on hangar waiting list; charge fee to be on hangar waiting list
  - Increase operations
  - Need a flight instructor based on the field
  - Restart Airport Advisory Board/Airport Commission to advise City Council
  - Need new hangars; understand how to work with TRPA permitting process

- Closing comments from City staff
    - Establish performance measure to assess success
    - Obstruction clearing (save $1M)
    - PAPI; localizer fixed
    - Snow removal equipment purchases and repairs
    - Snow removal contract in place for this coming snow season
    - Deicing not allowed due to environmental sensitivity/protection
    - Focus on making sure the Airport facilities are safe
    - Focus on maximizing access to federal funding
    - Thank you for taking the time to participate in the process

6. Meeting closed at 11:00 am.

APPENDIX B

TVL Rates and Charges Study

PUBLIC COMMENT LOG

NO.	TIME	DATE	SUBMITTED BY	COMMENT	RESPONSE
1	2:58P	8/17/2022	Todd Maly to John Dickinson	Hi John, will the rate increase for the RV spaces be for current renters. I pay for the space year-round but only use it in the winter. I spend lots of time up there snowboarding and I stay at the local campgrounds.	The rate for parking in the airport lot will increase for all users and be charged on a per space basis.
2	3:38P	8/17/2022	Gary Baker to John Dickinson	Let me get this straight. We are currently paying double the hangar rent of the median comparison airport. And you intend to double that again? Did I read that right?	The final report provides three plans for rate increases with varying degrees of change to airport hangar rates based on the proposed timeframe for implementation. Current hangar rates at Lake Tahoe Airport do exceed the median rates identified in the analysis.
3	5:17P	8/17/2022	Todd Maly to John Dickinson	I understand the change, but those spots have no security, no gate. It's just a parking spot. $56 is fair for the space. You should reconsider the increase.	Comment noted.
4	7:01P	8/17/2022	Mark Donnelly to John Dickinson	Welcome aboard! Thanks for sharing the new rate and charges technical report.	Comment noted.
				I support the desire to make the airport fund self-sustaining. However, I urge you to be careful and more restrained with the hangar rate increases. Right now, you are proposing to almost double the rates over the next three years. Econ 101 will tell you that a huge price increase will result in a big drop in demand. The resulting vacancies will hinder your goal to achieve a balanced budget. Reid Hillview Airport in San Jose raised tie-down and hangar rates to exorbitant levels a few years ago. The result has been huge numbers of empty tie downs and some hangar vacancies despite enormous regional demand for airplane storage space in the Bay Area. That has put the annual operating fund in a loss position. However, in the case of KRHV, that poor result was the desired outcome by local politicians who want to close the airport and redevelop the acreage into housing. The airport is falling into disrepair despite a record number of flight operations and huge demand at the FBO's. I suspect the length of the KTVL wait list is artificial because it's free to get on it! Your suggestion to charge a non-refundable fee to get on the wait list is a good idea. It'll help clear out some of the lookers vs the folks who will actually lease a hangar. You should also require the people on the waitlist to actually have an airplane! You'll then have a better idea of the true unfulfilled demand. I support increasing the hangar lease rates, but please do so at a more moderate rate (lower annual increases spread over a longer period). Almost doubling the rates over three years will clear some hangars and dramatically reduce the waiting list for sure. By your own study, after the proposed rate increases, the hangar rates at KTVL will be much higher than median prices for the airports in the comparison study. I am current T-hangar tenant and on the waiting list for a box hangar. Fortunately I am in a position to afford higher rates, but I'm worried about the impact to the airport and its users if the rates are to be increased so exorbitantly. There are lots of tenants with less expensive airplanes. When you increase the hangar price to be about 10-25% of the airplane value per YEAR, it's gonna be rough! Taking advantage of the TRPA credits sounds great, especially if used to build good hangars at a fair price. Our current hangar building can't handle heavy snow load.	The Airport is proposing to collect a non-refundable deposit to be on the waiting list. The final report provides three plans for rate increases with varying degrees of change to airport hangar rates based on the proposed timeframe for implementation. Current hangar rates at Lake Tahoe Airport do exceed the median rates identified in the analysis.

				Speaking of snow, it's unfortunate we can't clear the snow effectively. Much of the winter, I can't get my airplane in or out of the hangar without two hours of shoveling to clear a path in the hangar taxiway. That makes the hangar rent increases feel even more unfair because we only get partial use of the hangar due to the winter season lack of snow clearing. Getting City Hall to pay maintenance and utilities and a fair market rate sounds great. Collecting the landing fees and fuel flow receipts sounds like good business and likely to help. The car and RV parking rates look amazingly low, so an increase there makes sense to me. Constructing more business and vehicle storage space sounds good. I can't make the meeting on August 31st. I'll be camping in the Sierras, which is an activityI hope you get to enjoy as a new resident of this beautiful area! I wish you well in your new job and hope you enjoy it very much. We have many challenges at KTVL, but also great opportunity. Best regards, P.S. I was executive in charge of global product pricing for Apple for several years, so I have a sound understanding of pricing impact on demand and how price increase exuberance may alter demand very unfavorably. Just sayin'…	As outlined in the report, assumed future expenses only accommodate the Airport's current employment structure. The proposed rate structure is intended to provide funding to improve operational realiabilty, including snow removal.
5	10:41A	8/18/2022	Mark Donnelly to John Dickinson	Two more things: 1. Thanks for keeping the taxiway repairs in the slimmed down capital budget. It's important. The pavement has failed and is a danger to aircraft and personnel. I currently have to pull my airplane all the way in and out of the Hangar rows because the FOD makes it too dangerous to run the engine and prop in the taxi lane. At the last annual inspection, FOD damage was apparent on the compressor turbine blades of my PT6 engine. Fortunately, this time, it was minor enough to blend out and did not cause engine failure. 2. South facing hangars get the benefit of sun warming to melt snow and ice in front of them. They often "self clear" a few days after a mild snowstorm. On the other hand, the north facing hangars are shaded most of the winter. Therefore, snow and ice drifts build up and snow cornices break off the roof and fall in front of the doors, sometimes leaving piles several feet thick. For this reason, I keep a mattock, heavy shovels, a breaker bar, and a snow blower in my north facing hangar. It takes a lot of work after a freeze-thaw-freeze cycle to break the ice and clear a path. Given the extra effort and less wintertime utility of north facing hangars, I think you could charge more for south facing hangars and less for north facing. I've been on the waiting list for a south facing hangar for years. I'd certainly pay more to have the sunshine assistance! Thanks,	Comments regarding the capital improvements are noted. The three plans provided in the final report identify rate increases that will help address capital program needs.
6	7:54A	8/19/2022	Ben Thomson to John Dickinson	Good morning, John, Thank you for sending this report and proposed rates. The proposed 25% increase for hangar rent in one year seems excessive. Since the airport is currently well above peer hangar rent median rates, could the rate be kept the same for at least aeronautical users and raise the non-aero by CPI only? Alternatively, non-aero could be increased to 75% above aero? Is the hangar row taxilane project firmly scheduled for 2023? Why is taxilane D separate? What is being done to reduce costs so that expenses are brought down to meet revenue? Are your office phone numbers still 542-6182 and 6180? Regards,	All hangars are intended for aeronautical use, while the storage units in the hangar buildings make up a small percentage of total building square footage that could be charged a non-aeronautical rate, limiting the overall impact on the bottom line of any potential non-aeronautical rate increase The final report notes that all janitorial, custodial, and utility expenses fall under the Airport Terminal Building expense account. Incorporating these costs based on percent share of rented space in the terminal could help reduce the Airport's operating expenses.

7	10:11A	8/19/2022	Demian Warner to John Dickinson	Hi John, I had some time to look over the proposal and I have a few questions and comments. 2.2.1 states the Airport accounts for 1% of the City budget. Why the sudden need to make it self-sufficient? 4.5 states that hangar rates are "significantly higher" than the median, but 6.1.1 seems to place virtually all of the financial burden on hangar tenants with the argument being demand and development constraints. The same argument applies to Building Leases, which are presently near the median and only marginally increased. Further, Storage Units see virtually no increase when they are literally non-aeronautical use of the same hangars that are almost being doubled. Why no proposed increase in landing fees? Frankly, there's just not a lot of rationalization for nearly doubling hangar rent over three years. 6.1.1 mentions a hangar waiting list of 43 aircraft owners. My [perhaps false] understanding was that aeronautical use took precedence over non-aeronautical use. There are -a lot- of full size hangars being used as storage space with no aircraft. Shouldn't aircraft owners on the lengthy waiting list be assigned to these non-aeronautical hangars? Glad to chat in person when you've got free time. Just wanted to get this on record before the close of comments.	The Lake Tahoe Airport operates as an Enterprise fund and therefore provides services and collects fees to sustain operations. As a result of accepting grant funding from the FAA, the Airport is obligated to comply with grant assurances, one of which is to maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible. All hangars are intended for aeronautical use while storage units included in the buildings are charged an aeronautical or non-aeronautical rate depending on the materials stored in the units. An evaluation of the landing fee structure was conducted prior to this study.
8	9:27P	8/28/2022	Greg M. Jones to John Dickinson	Thanks for sharing. No major comments other than in regards to parking - I'm on the waiting list for parking a boat + trailer, so it pains me to say this, but it's totally reasonable for you to raise rates to be more in line with other options (RV/boat storage facilities) in SLT. Best wishes to you navigating all of these changes - I wish you well!	Comment noted.

9	7:49A	8/29/2022	Howard Manning to John Dickinson	John, good morning - I have several questions, but would like to know does the airport considers guidelines presented in order 5190.6b, Airport Compliance manual/program. Does the airport comply with obligations that arise from FAA grant agreements. Order 5190.6B, dated November 22, 2021 change 1, references a benchmarking analysis by Explorer Solutions of airport hangar fees. In settings hangar fees, the analysis considers airports of similar size and nature. Would this be something that South Lake Tahoe airport references or considers. Also of concern is the taxiways between the hangars. Will H.R. 468-117th congress (2021-2022) infrastructure act effect South Lake Tahoe. $294 million to airports in CA.	By conducting the Rates and Charges Study, the Lake Tahoe Airport is seeking to comply with the obligations associated with FAA grant assurances. A review of Change 1 to Order 5190.6B dated November 22, 2021 was conducted following your comment. A benchmarking analysis by Explorer Solutions was not identified in a review of the document. The Rates and Charges Report does consider airports of similar size and nature, as evidenced in the list of facilities used for comparing existing rates. In regards to the Bipartisan Infrastructure Law, the Airport will receive $159,000 each year for the next five years, which is planned for future capital projects. It is important to note that even with this funding, there is still a 10% local match required. The rate increases outlined in the Report would help the Airport fund this required match for BIL projects and those projects ineligble for federal funding.

10	2:37P	8/29/2022	Greg Felton to John Dickinson	Congratulations on your new role in our community. I had hoped that I'd have a chance to meet you before the bombshell of a rate increase was dropped. It looks like the City is trying to make up the shortfall entirely on the backs of the hangar tenants. Questions that IMMEDIATELY come to mind: It appears the study failed entirely to look at local hangar options e.g. Minden and Carson City. Minden is a very viable option for us. The rates there are $358 for a 1,092 ft2 hangar to $420 for a $1,650 ft2 hangar. Our hangar at KTVL is already over $500 and with this proposal would go to $1,000. That's outrageous. I see the list of reference airports but to totally ignore options in our backyard is irresponsible. How the information is presented, it wasn't clear to me if the City is paying a fair rate for all the space they are using in the terminal. The City surely should pay (at least) what it would pay a third party for use of that space, or what it would pay if it had to go rent commercial space somewhere else in town. It's clear there are some items (building lease, RV, local storage, etc) that are at or below the market measures but those aren't being cranked up. The city's box hangar rates are already at the high end of the range of the study and what's being proposed would be more than 60% above the TOP of the range found in the benchmarking. How is this justifiable? Is the waiting list REALLY 30 planes deep? I thought there were hangars currently being rented for non-aviation uses? How can that be when the City is legally if not morally bound to rent to aviation users first? What is the City going to do when people like us pull out and there are hangars generating no income whatsoever? Are Federal grant funds appropriately accounted for as income specific to the airport, not mixed in the general fund? I'd welcome a chance to talk to you about this.	The list of peer airports was developed with resort community, high-demand airports in mind. Rates for office space in the terminal building were benchmarked against other local options and those listed at other airports. Tenant responsibility for utilities and other operational expenses is mentioned in the report as currently falling under Airport Operating Expenses. A non-refundable deposit for placement on the waiting list is proposed. All hangars are intended for aeronautical use while storage units included in the buildings are charged an aeronautical or non-aeronautical rate depending on the materials stored in the units. Three plans for rate increases are provided in the final report that provide the opportunity to place the Airport in a position to be financially self-sustaining. In its current financial position, the Airport cannot support local match for federally funded projects or fund projects that are ineligible for federal funding.

11	11:52A	8/30/2022	Tom Meyer to John Dickinson	Regardinging the hangar lease rate adjustments proposed by Jviaton for the airport, I'd like to make the following public comments: 1. Based on the Jviation report, airport operating costs are currently coverd by airport revenue. Specifically, the 5-year average operating expense is $941,465.80 (reerence table 2-1 years 2017-2021). The 2021 operating revenue is $970,849.00 (reference table 2-1). Of note, the existing operating revenue is steadily increasing, is largely adjusted annually for CPI, and as stated in table 2-1 does not include an additional $159,000.00 the airport receives annually in Federal grant money (at minimum through 2027). Based on this data, the proposed lease rate increases are not required for airport operating expenses. 2. With regard to capital expenses (reference tables 2-4 & 2-5 of the Jviation report), annual operating revenue already exceeds average operating expenses by approximately $200,00-.00. This surplus is the airport-share of capital project cost. The City of South Lake Tahoe realized $20.6 million of economic output from the airport, 215 local jobs and 'a number of qualitative benefits for the region' (refernce economic impact study by the University Center for Economic Development at the University of Nevada, Reno). The balance of any capital project cost is very reasonable investment for the city in trade for economic benefit of the airport asset. 3. In closing, the FAA specifies non-discrimination in fee assessment at the airport (reference 22. Economic Nondiscrimination – The airport must remain available for public use and without unjust discrimination.) Current hanger lease rates are well-above median rates in the region. Annual adjustments beyond CPI discriminates further against our local residents who need and utilize airport hangers to participate in general aviation. The proposed rate increases are not in the spirit of FAA guidance for airport infrastructure and will cause harm to local residents who are ultimately priced-out of utilizing the airport. Thank you for the opportunity to add my voice in dissent of the proposed hanger lease fee increases at the airport.	Thank you for your comments. As outlined in the final report, operating revenues are close to covering operating expenses but falls short of covering future capital needs of approximately $500,000 to $600,000 in the coming years. The $159,000 from the Bipartisan Infrastructure Law is currently allocated to projects listed in the Airport's Capital Improvement Plan (ACIP). Projects included on the ACIP that are federally funded still require 10 percent local match. The ACIP also includes projects that are ineligible for federal funding and will require local funding to complete. These project costs are unable to be funded by any existing or projected surplus from extra operating revenues with the current rate structure. The airport will remain available for public use and offers alternatives to hangars in the form of tiedowns.
12	3:24P	8/31/2022	Michael Golden to Anush Nejad	Anush, As always, it was a pleasure seeing you earlier today. You are in an difficult position on behalf of the City with regards to all the infrastructure, not just the airport. We remain committed to the airport and its operations. While I certainly understand the financial constraints the City faces, I would urge the City to take a more measured approach regarding the airport fee structures, in particular on the hangar rents and flow fee. Solely my opinion, but based on experience the proposed increases are inordinate. If the City proposed doubling the Transient Occupancy Tax, there would be mobs of angry citizens storming the City Council meeting. While the City has the right to raise these fees, the old adage applies here “just because you can, doesn’t mean you should”. In any event, I think getting the users of the airport together for this discussion was a productive step. The solution to this is greater utilization of the airport. As I said, a rising tide lifts all ships. Thank you again for your efforts. Best regards,	The airport is in a position as an Enterprise fund and through accepting FAA grants, to be as self-sustaining as possible. Due to the significant capital program needs, as outlined in the final report, increases to the current rate strucuture are necessary to fund local match for federal grants as well as projects that are ineligible for federal funding.
13	2:08P	9/1/2022	Gary Baker to John Dickinson	Is that correct? We're going to be quadruple the median hangar rent?	The final report provides three plans for rate increases with varying degrees of change to airport hangar rates based on the proposed timeframe for implementation. Current hangar rates at Lake Tahoe Airport do exceed the median rates identified in the analysis of peer airports.

-

TECHNICAL REPORT
UCED 2019/20-03

ESTIMATION OF ECONOMIC IMPACTS OF LAKE TAHOE AIRPORT ON THE ECONOMY OF SOUTH LAKE TAHOE STUDY AREA



University of Nevada, Reno
Center for Economic Development

Estimation of Economic Impacts of Lake Tahoe Airport on the Economy of South Lake Tahoe

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EXECUTIVE SUMMARY

The University Center for Economic Development, in the College of Business, at the University of Nevada, Reno completed an analysis of the multi-regional economic impacts of the operation, construction, tenant, and visitor activities of the Lake Tahoe Airport on the economy of City of South Lake Tahoe, California and South Lake Tahoe areas of Nevada. Highlights of the study are presented below**:**

Introduction

- In 1959, the Lake Tahoe Airport (LTA) officially opened. In 1983, the City of South Lake Tahoe purchased the airport for the asking price of $1. By 2006, the airport became the City of South Lake Tahoe Administrative Service Center and City Hall for the City of South Lake Tahoe. The Lake Tahoe Airport also serves as a summer base for U.S. Forest Service contract aerial fire-fighting assets and supports numerous military training missions for both the U.S. Navy and U.S. Marine Corps. The Airport is also the City of South Lake Tahoe's Emergency Operations Center (EOC) and is key in prioritizing climate resiliency efforts through active forest management.
- LTA plays a critical role in the economic vitality of City of South Lake Tahoe by creating jobs and income for City residents through normal airport operations, airport-related industries, general aviation opportunities, and visitors in South Lake Tahoe.
- LTA plays a key role in the future of City of South Lake Tahoe, California economic development efforts, as industries seeking to locate or relocate into an area rate the quality of local airport as an important locational factor.
- LTA significantly impacts the quality of life and community sustainability.

Methodology

- Operation and construction expenditures by LTA, airport tenants, and general aviation visitors in California and Nevada and related employees impact the economic activity of the South Lake Tahoe Study Area and Nevada Study Area through the multiplier effect.
- Eight zip codes comprise the South Lake Tahoe (SLT) California Study Area: 96150, 96151, 96152, 96154, 96155, 96156, and 96158.
- The Nevada Study Area is comprised of three zip codes: 89413, 89448, and 89449.
- Because the study areas for the SLTA includes both California and Nevada, a multi-regional input-output model was employed to derive potential spillover impacts between the two states. Therefore, procedures developed by IMPLAN. LLC (2019) were employed to derive a multi-regional input-output analysis.

Results

- LTA spent $3.92 million on operations in the South Lake Tahoe (SLT) California Study Area. When the expenditures between other businesses and households in the SLT California Study Area are included, LTA generated a total of $5.44 million in economic activity in the SLT California Study Area economy**.**
- LTA employed 3.0 individuals. When employment created by other LTA-related businesses and household linkages is included in the analysis, LTA total operations generated and supported a total of 12.9 jobs in the SLT California Study Area economy.
- LTA had $479.9 thousand in labor income. When the income created by other businesses and households linked to the LTA in the SLT California Study Area is included, LTA

was responsible for $1.03 million in labor income for the SLT California Study Area economy.

- LTA tenants' activities have economic impacts in the study area. The economic, employment, and labor income impacts of these economic sectors were also estimated.
- LTA tenants spent $6.10 million in the SLT California Study Area. When the expenditures by other businesses and households in the SLT California Study Area linked to tenants at the LTA are added, LTA tenants generated a total of $8.98 million in economic activity in the SLT California Study Area.
- LTA tenants employed 46.0 individuals. With the employment created by other businesses and households linked to the LTA tenants in the SLT California Study Area, a total of 65.9 jobs in the SLT California Study Area economy are supported.
- LTA tenants had labor incomes of $2.93 million. With the income created by other businesses and households linked to LTA tenants in the SLT California Study Area, total labor income in the SLT California Study Area is estimated to at $3.89 million.
- From conversations with the LTA manager (2020), an estimate of construction activities at the LTA were derived. The economic, employment, and labor income impacts of these construction activities were estimated for the SLT California study Area based on these amounts.
- Direct expenditures for LTA construction were estimated to be $849.9 thousand in the SLT California Study Area. When the expenditures by other businesses and households in the SLT California Study Area linked to construction at the LTA are added, LTA construction generated a total of $1.28 million in economic activity in the SLT California Study Area.

- For construction activities at the LTA, 8.9 individuals were hired. With the employment created by other businesses and households linked to the LTA construction in the SLT California Study Area, a total of 11.8 jobs in the SLT California Study Area economy are generated.
- Construction activities at LTA had labor incomes of $635.0 thousand. With the income created by other businesses and households linked to LTA construction in the SLT California Study Area, total labor income in the SLT California Study Area is estimated to be $779.6 thousand.
- Lake Tahoe Airport is a key mode of transportation for visitors to the SLT California Study Area and adjacent state of Nevada for casino gaming and recreation. From previous study by RRC Associates, Inc. (2007), visitor activities from people who enplane at the LTA in both California and Nevada are estimated. The study provides estimates of percentage of visitor expenditures by economic sector expended in the City of South Lake Tahoe and nearby Douglas County, Nevada. For example, all gaming expenditures are spent in the Nevada Study Area (as no gaming properties are in the California Study Area), while 65% of accommodation expenditures occur in the City of South Lake Tahoe. By employing a multiregional input-output model, the spillover effects of visitor expenditures in the SLT California Study Area on the Nevada Study Area can be estimated as well as spillover impacts in the SLT California Study Area from Nevada Study Area visitor expenditures.
- Airport passengers at the LTA spent $2.32 million in the SLT California Study Area. When the expenditures by other businesses and households in the SLT California Study Area linked to tourism in the SLT California Study Area are added, SLT California Study

Area visitors generated a total of $3.28 million in economic activity in the SLT California Study Area.

- SLT California Study Area visitor expenditures support 30.1 direct employees in the SLT California Study Area. With the employment created by other businesses and households linked to the SLT California Study Area tourism, a total of 37.0 jobs in the SLT California Study Area economy are supported.
- The SLT California Study Area had direct labor incomes of $967.1 thousand from visitor activities. When these expenditures are linked with business and household activity linked to tourism in SLT California Study Area, total labor income in the study area is estimated to be $1.28 million.
- Using the multiregional input-output model, the spillover impacts of visitor impacts in the SLT California Study Area on the Nevada Study Area were derived. Total economic impact in the Nevada Study Area from SLT California Study Area visitor activities is estimated to be $1.33 million, with employment and labor income total impacts of 9.1 employees and $404.7 thousand, respectively.
- Airport passengers at the LTA spent $2.55 million in the Nevada Study Area. When the expenditures by other businesses and households in the Nevada Study Area linked to tourism in the Nevada Study Area are added, Nevada Study Area visitors generated a total of $3.21 million in economic activity in the SLT California Study Area.
- Nevada Study Area visitor expenditures support 26.2 direct employees in the Nevada Study Area. With the employment created by other businesses and households linked to the Nevada Study Area tourism, a total of 30.7 jobs in the Nevada Study Area economy are supported.

- Nevada Study Area had direct labor incomes of $1.09 million from visitor activities. When these expenditures are linked with business and household activity linked to tourism in the Nevada Study Area, total labor income in the study area is estimated to be $1.27 million.
- Using the multiregional input-output model, the spillover impacts of visitor impacts in the Nevada Study Area on the SLT California Study Area were derived. Total economic impact in the SLT California Study Area from Nevada Study Area visitor activities is estimated to be $1.63 million, with employment and labor income total impacts of 11.4 employees and $924.7 thousand, respectively
- Using data and procedures from RRC Associates, Inc. (2017), City of South Lake Tahoe 2020 annual budget (2020), and IMPLAN model (2020b), impacts to City of South Lake Tahoe Transient Occupancy Tax (TOT) and sales taxes were estimated. Under average visitor assumption, total TOT revenues are estimated to be $167,925 under 12% TOT rate or $195,911 at 14% TOT tax rate. Given an alternative assumption of contribution analysis and visitors at their highest levels, TOT revenues at 12% were estimated to be $268,171 while at the 14% TOT tax rate receipts were estimated to be $312,867. The sales tax rate for the City of South Lake Tahoe is 0.05%. Under the assumption of average visitor expenditures and impact analysis, sales taxes for the city are estimated to be $11,452. Under high tourism expenditures and contribution procedure, sales tax receipts from visitors in City of South Lake Tahoe would are estimated to be $15,552.
- In addition to its quantitative impacts on the SLT California Study Area economy and Nevada Study Area economy, the presence of an airport improves the region's attractiveness, as businesses consider airport proximity in their location decision.

- These impacts demonstrate that LTA is a critical player for current and future economic development in the SLT California study Area, as well as the neighboring Nevada Study Area**.**
- Economic development agencies, business groups, and local leaders should be aware of the importance of LTA as a key partner and primary sector for current and future economic development opportunities in SLT California Study Area, as well as the neighboring Nevada Study Area.

SECTION 1: INTRODUCTION

The primary purpose of this report is to document the impacts of the Lake Tahoe Airport (LTA) on the economy of South Lake Tahoe Study Area (SLTSA). This will be a multi-regional analysis in which the SLTSA will be divided into two regions: South Lake Tahoe California Study Area (to be designated as SLT California Study Area) and the Nevada Study Area. The SLT California Study Area will consist of eight South Lake Tahoe, California zip codes: 96150, 96151, 96152, 96154, 96155, 96156, and 96158 (Datasheer LLC, 2020). The Nevada Study Area will consist of three zip codes: 89413, 89448, and 89449.

LTA supports general aviation and government agencies including the U.S. Forest Service, the U.S. Navy, and the U.S. Marines (City of South Lake Tahoe, 2020). Data presented in this report reveal that LTA has an impact on SLTSA economic activity, employment, and labor income (employee compensation and proprietor income). These impacts to the study area economy are often overlooked in public policy discussions. LTA plays an important role in current and future study area economic development efforts by creating jobs and income for residents through normal airport operations, grant funded airport development, and general aviation activities. Economic linkages of LTA are also responsible for generating economic activity, employment, and labor income in other economic sectors in the SLTSA, which contribute revenue to the City of South Lake Tahoe General Fund. Also, as shown in Figure 1, Lake Tahoe Airport links the City of South Lake Tahoe, California to approximately 50 markets nationwide which enhances current and future local visitor and business activities.

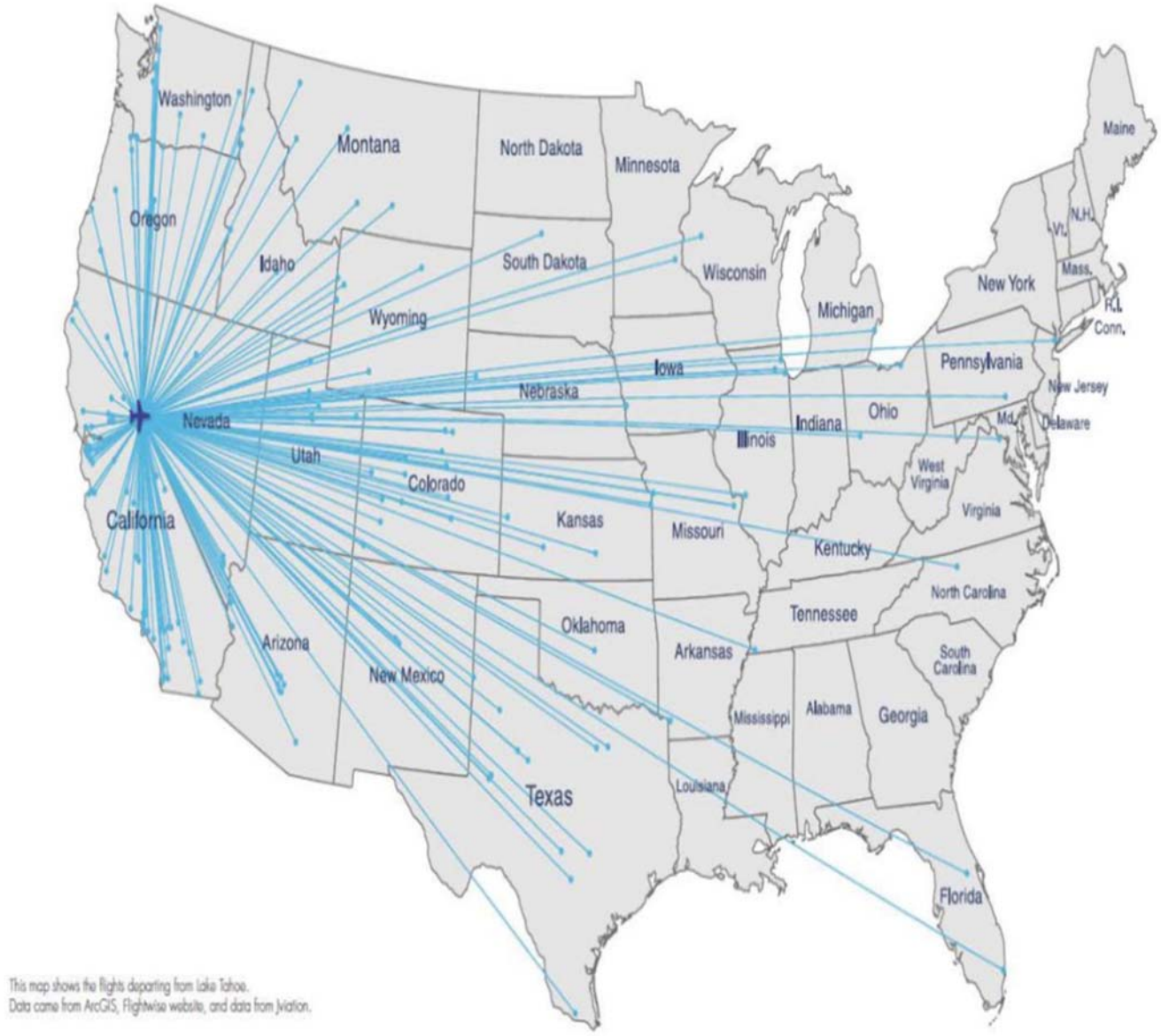


Figure 1: Linkages of Lake Tahoe Airport to Other Airports Nationally.

Utilizing data provided by the LTA staff (2020) and the multi-regional input-output model (IMPLAN Group, LLC, 2019), the economic, employment, labor income (employee compensation and proprietor income), and local tax revenues impacts in the SLT California Study area from activities of the LTA were estimated. A multi-regional input-output model was used to derive linkages and spillovers in the economic activity between the states of California and Nevada in the overall South Lake Tahoe Study Area. Analysis presented in this study shows

that LTA operations, LTA construction, LTA tenants, and visitors to the SLT California Study Area had direct expenditures of approximately $13.2 million. Given expenditures by other impacted businesses in the SLT California Study Area and tourism linkages with the Nevada Study Area (including spillovers to the SLT California Study Area), activities associated with the LTA generated a total of $20.7 million in the SLT California Study Area.

Activities by LTA had employment impacts in the SLT California Study Area of 215.3 jobs with total labor income (employee compensation and proprietor income) impacts of $8.3 million. Also using results of the multi-regional input-output model, Transient Occupancy Tax (TOT) revenues at the 12% tax rate were estimated to be $167,925 while under the 14% rate, TOT revenues were estimated to be $195,911. In addition, employing principles of contribution analysis and under high visitor expenditures, TOT revenues were estimated to be $268,171 at the 12% rate while TOT revenues would rise to $312,867 at the 14% rate. City of South Lake Tahoe sales tax rate is 0.05%. Under average visitor expenditures and impact analysis, sales taxes were estimated to be $11,452 while under high visitor expenditures and contribution analysis, City of South Lake Tahoe sales taxes were estimated to be $15,552.

As local and state policymakers consider economic development opportunities for their areas, they should bear in mind the importance of airports to local and regional economies. As this report demonstrates, LTA provides much more than necessary transportation. Employment, income, and economic benefits created in other businesses, as well as tax revenue generated by all economic sectors for the City of South Lake Tahoe's General Fund represent additional contributions to economic well-being in the SLTSA economy.

Estimation of economic impacts of LTA on the economy of SLTSA is divided into four sections. The first section briefly discusses the role of the airport sector in economic development, highlighting financial and non-financial linkages between the airport sector and the rest of the local economy. The second section provides an overview of the demographic and economic context of SLTSA. The third section discusses the airport industry within SLTSA in the context of other industries present on the South Shore of Lake Tahoe. The fourth, and final, section demonstrates the direct, indirect, and induced economic impact of LTA on the economic, jobs and labor in the SLTSA economy, as well as the revenue impacts of these operations for the City of South Lake Tahoe, including the Transient Occupancy Tax.

Utilizing the IMPLAN (IMPLAN Group LLC, 2019) multi-regional economic impact model procedures, this report provides estimates of the direct economic contribution of airport operating activity, as well as the indirect and induced or secondary output, income, and employment impacts in other businesses resulting from airport activity. Output, employment, and income generated in other businesses are estimated based on output, employment and income multipliers derived for the SLT California Study Area economy. The model employed in this study is a multi-regional input-output model. The model derives economic, employment, and labor income impacts of LTA activities on the SLT California Study Area economy, but also the spillover economic impacts on the Nevada Study Area. Additionally, Nevada Study Area visitor expenditure spillovers can be estimated for the SLT California Study Area. The report also the contains an appendix that summarizes the model and data used to estimate economic, employment and income multipliers.

SECTION 2: LOCAL AIRPORTS AND LOCAL ECONOMIC DEVELOPMENT

As shown in a study by the California Airport Council (2013), the airport sector has become an integral partner and resource in the overall growth of the California economy. The airport sector includes local airport operations, supporting airport industries, and activities of general aviation visitors. The California Airport Council Study (2013) found no industry unaffected by California airports activities. The study found that California airports contributed $63.2 billion to California's economy with employment contributions of 386,422 jobs. The premise of this report is to provide to City of South Lake Tahoe, California leaders and populace information to improve their understanding of the importance of the airport sector to their local economy, including the amount of jobs and income it provides, directly and indirectly, and its role in generating additional economic activity, employment and labor income to the residents in the entire SLTSA economy. The nexus between airport services and economic development is typically overlooked. An airport can attract and maintain businesses and job growth for the entire SLTSA economy.

Current Airport Role for the South Shore of Lake Tahoe

The Lake Tahoe Airport was purchased by the City of South Lake Tahoe from El Dorado County in 1983. The Lake Tahoe Airport served as a commercial service airport with regularly scheduled airline service from 1958 until 2001. After the loss of commercial airline service, the City expended significant resources to re-establish airline service until 2015 when City Council decided to surrender the airport's commercial airport certificate to the Federal Aviation Administration. Since 2015 the Lake Tahoe Airport has served as a regional general aviation airport. The airport's Fixed Based Operator maintains an aviation services contract with the U.S.

Defense Logistics Agency and the airport maintains a healthy mix of U.S. military, fire-fighting and general aviation traffic.

The airport also serves as the City Hall for the City of South Lake Tahoe, in addition to the office location for City Administrative Services. The Lake Tahoe Airport has a range of private sector tenants including a bar/restaurant, air ambulance, environmental engineering company, real estate, photography and two helicopter charter operators. In 2020, the airport had sixty-nine tenants excluding City Departments. The Lake Tahoe Airport has three primary missions for the communities of the South Lake Tahoe:

1. Community Emergency Preparedness and Emergency Response
2. Community Economic Development
3. Achieve Financial Self-Sufficiency from the City's General Fund

During the period of 2006-2018, the Lake Tahoe Airport has increased revenues by 5.67% while keeping expenses below the rate of inflation at 2.03%. The airport's primary challenges are limits to developing airport property and complex regulatory hurdles regarding growing aviation traffic at the airport. Without changes to local environmental regulations, it will be exceedingly challenging for the airport to achieve financial self-sufficiency now or into the foreseeable future.

Local Business and Job Growth

The dynamic infrastructure provided by civil aviation not only supports businesses in their ability to innovate, create new jobs and explore economic opportunities, civil aviation also provides us with vital connectivity to family, friends, and new frontiers (U.S. Department of Transportation, 2015). From previous airport impact studies in the state of California (Economic Research Associates, 2003; California Airport Council, 2013), the entire aviation system is

important to the state and its local economies for several reasons. One, the network of airports extends commerce and economic development opportunism throughout the state. Two, while some individual airport impacts are relatively small on a statewide basis, they are nonetheless meaningful to their communities at the local level. Lastly, airports make important economic contributions to the local economy besides impacts associated with value of output, employment, or labor income. The mere existence of an airport derives benefits to the local populace in knowing the community has access to aviation services.

SECTION 3: DEMOGRAPHIC AND ECONOMIC CONTEXT OF SOUTH LAKE TAHOE

This section discusses the socio-economic characteristics of the City of South Lake Tahoe. The majority of the characteristics described in this analysis were developed by the Economic Modeling Specialists, Inc. (EMSI) using data from the state of California Employment Development Department, Training, and Rehabilitation; the U.S. Bureau of Labor; Regional Economic Information System data from the U.S. Department of Commerce, Bureau of Economic Analysis; and occupational staffing patterns from the Occupational Employment Statistics.

Demographic Characteristics

Social characteristics described in following text are for the City of South Lake Tahoe. This includes population, households, age, race, and educational attainment.

Population

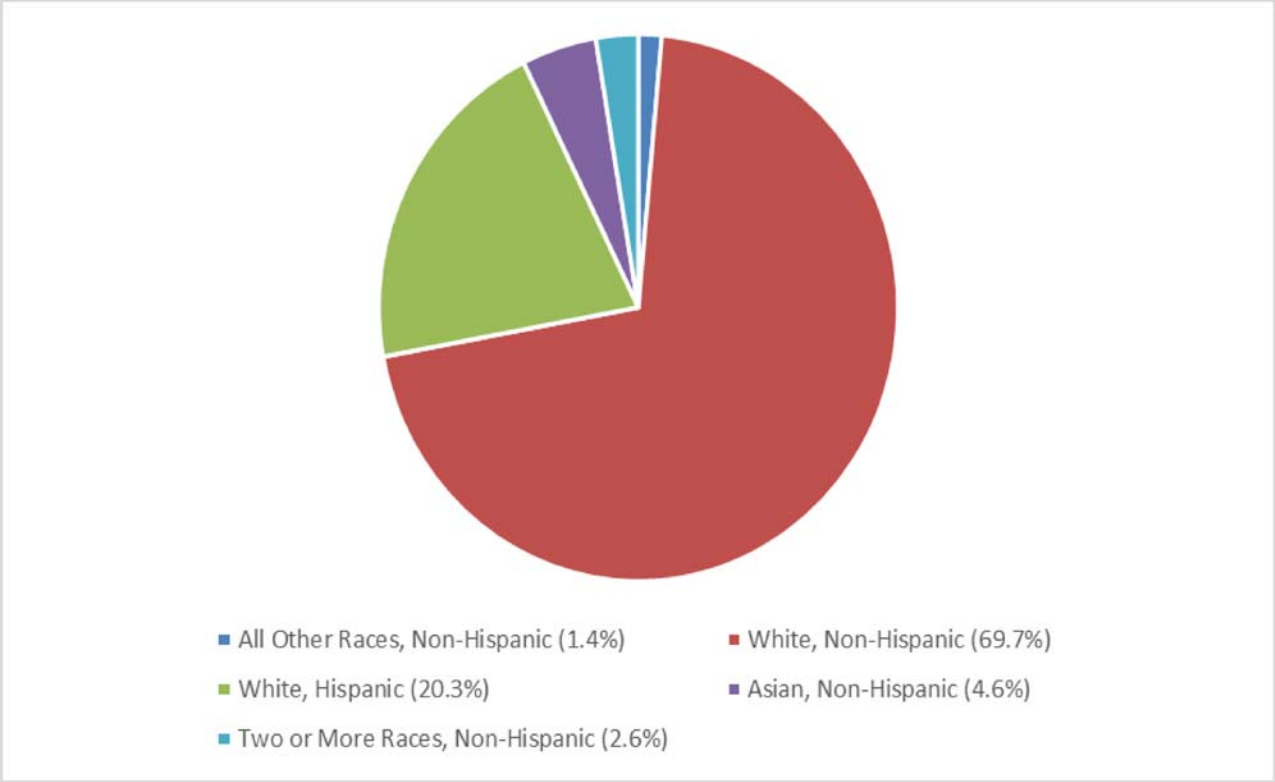
The region's 2018 population of 30,401 represented a 4.4% increase over the past five years. This is higher than the 3% population increase for the State of California during the same period. Overall, the region represents 0.08% of total state population. According to EMSI (2020a), the regional population is projected to increase 5% by 2024.

Race

Approximately 69.7% of the region's population is White, Non-Hispanic, followed by White, Hispanic (20.3%), Asian, Non-Hispanic (4.6%) and others. This is seen in Figure 2.

EMSI (2020a) estimates the percentage of White residents is decreasing in the region, from 69.7% of total population in 2018 to 67.7% in 2024. The population of residents of Hispanic origin (any race) is expected to increase from 20.3% in 2018 to 21.2% in 2024.

Figure 2: 2018 Race Demographics for the City of South Lake Tahoe.



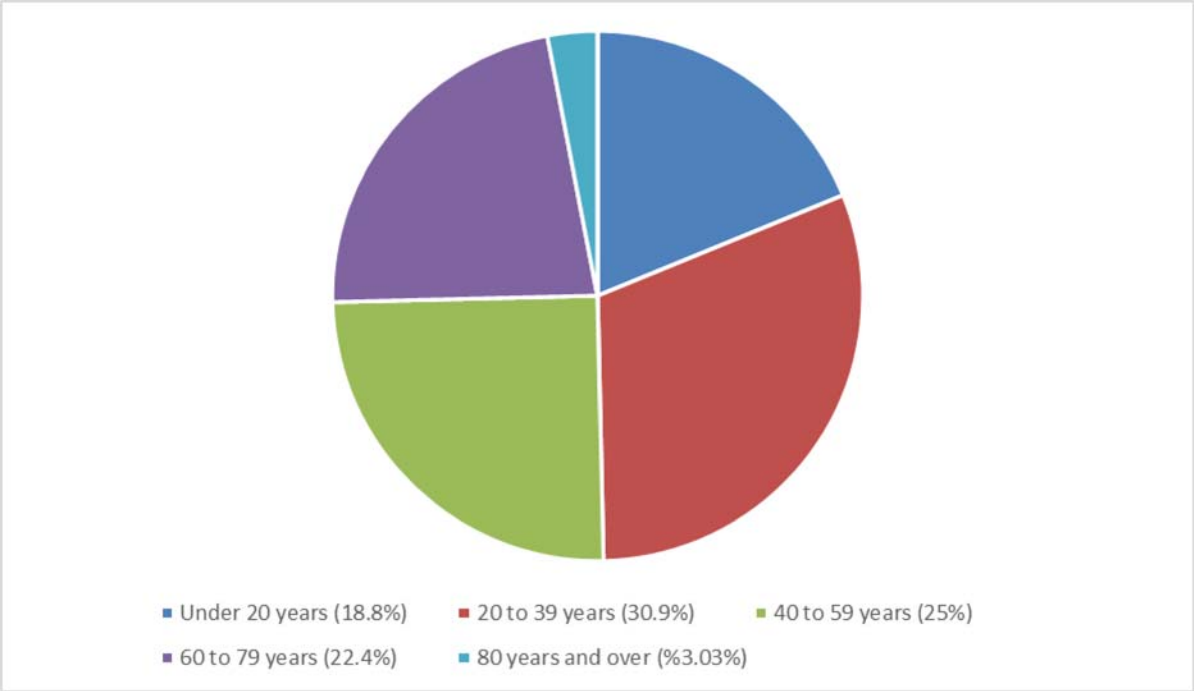
Source: EMSI, 2020a.

Age

Most of the region's population (55.9 %) are between the ages of 20 and 59, with the highest percentage in the 20 to 39 age group (30%). This has changed since 2014, when the 40 to 59 age range had the highest percentage of population at 30.7%. The biggest change between 2014 and

2018 was in the 40 to 59 age range, which decreased by 5.7%, lowering percentage of the age group to 24.96% of the total population in 2018. This decreasing trend is expected continue, according to the EMSI data (2020a), to 22.8% in 2024.

Figure 3: 2018 Age Demographics for the City of South Lake Tahoe.

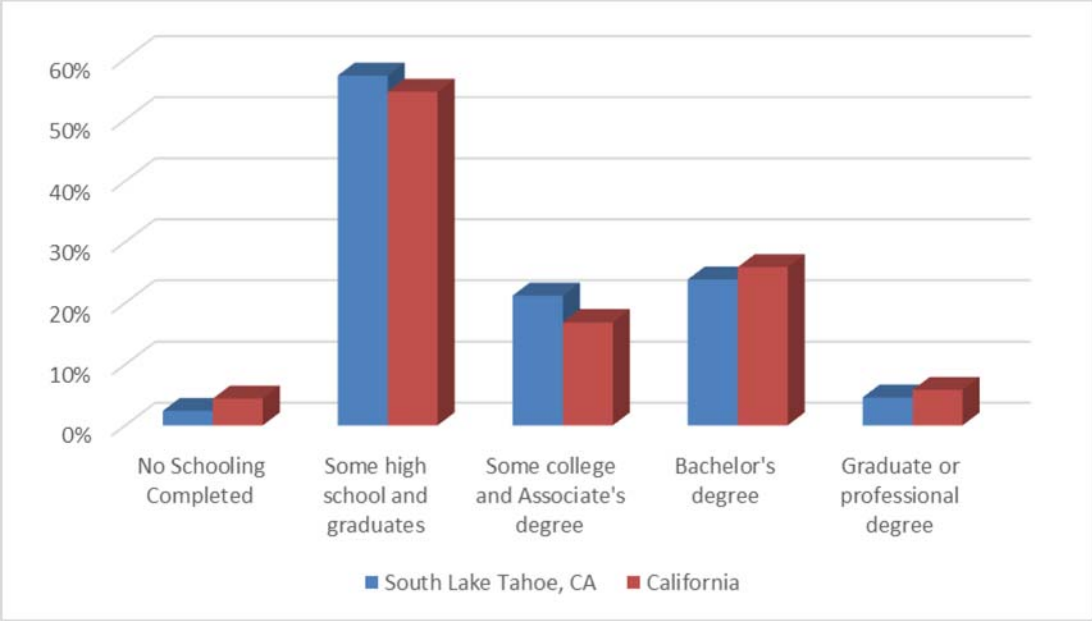


Source: EMSI, 2020a.

Educational Attainment

According to data provided by the U.S. Census American Community Survey (2020), approximately 50% of the total regional population have some college education. Approximately 29% of total population have at least completed a bachelor's degree and have further completed a Graduate degree (5%). Overall, 49% of California residents have some college education, similar to the 50% in the region.

Figure 4: 2014-2018 Educational Attainment for the City of South Lake Tahoe vs. State (California).



Source: U.S. Census: American Community Survey, 2014-2018.

Economic Characteristics

Economic characteristics of communities and counties of the region describe the key economic factors that contribute to an area's economic viability. These factors can assist with economic development efforts and can provide a basis to how a specific industry will adapt or help grow a community. For this study economic characteristics are defined as: housing units, median and average home value, median household income, average household income, per capita income, industry employment and payroll, and Region's major employers.

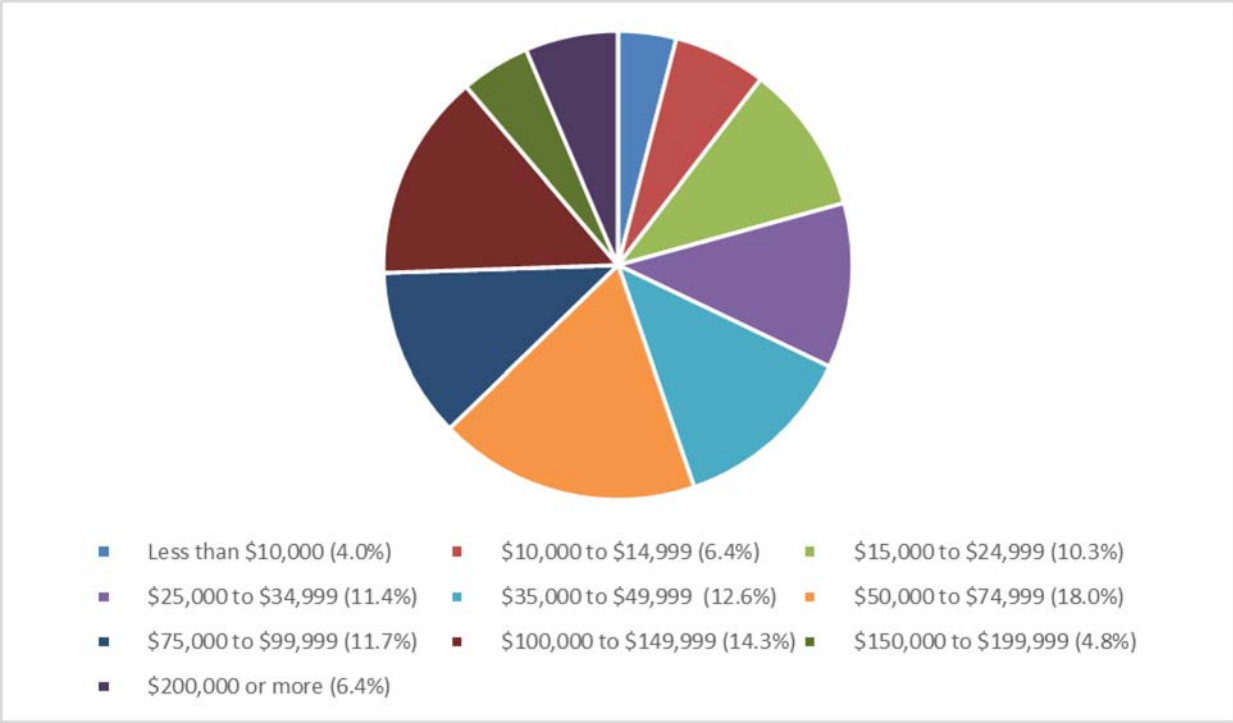
Housing Characteristics

There were 23,913 housing units in the region in 2018, a 4.4% increase from 2014. Of these, a total of 11,536 were occupied residential units, a 1.3% increase from 2014. Approximately 25.9% (6,195) of these units were owner occupied in 2018, an increase of 1.49% since 2014. The median housing unit value in 2018 was $426,200, an increase of 22.19% from 2014, when the median housing unit value was $348,800.

Income Characteristics

The median income for the households in the region was estimated at $56,321 in 2018. This is lower than the median household income of $71,228 for the state of California.

Figure 5: 2018 Household Income Breakdown for the City of South Lake Tahoe.



Source: U.S. Census: American Community Survey, 2014-2018.

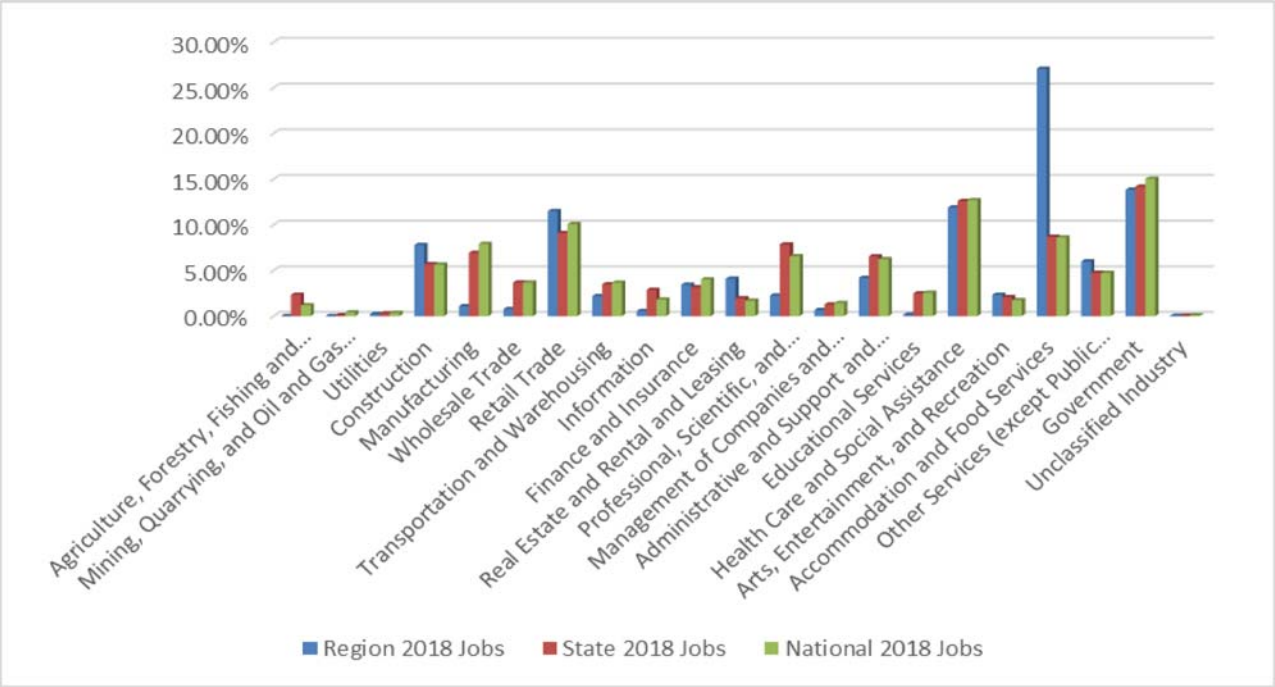
Average household income for the City of South Lake Tahoe was estimated to be $79,542, an increase of 18.6% since 2014. The 2018 average household income for the City of South Lake Tahoe is lower than the State average household income of $101,493.

Industry Characteristics

From data provided by EMSI (2020b), the City of South Lake Tahoe had a total of 14,587 jobs in 2018. Of these, the highest number of jobs were in the Accommodation and Food Services Sector, at 37.07% of total employment. The Government Sector had the second highest number of jobs at 13.8%, which includes the local government subsector relating to public airports. This

was followed by the Healthcare and Social Assistance Sector at 11.9% of the total regional employment.

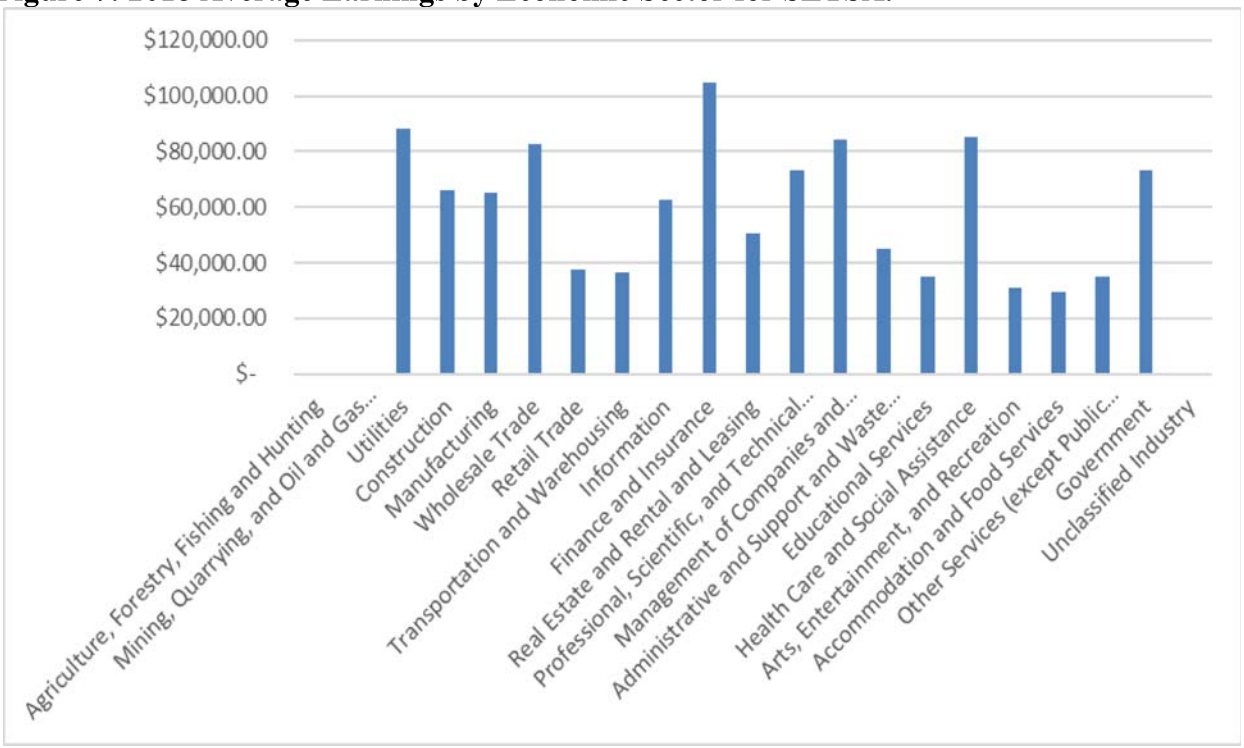
Figure 6: 2018 Jobs by Industry-Region, State and US.



Source: EMSI, 2020b.

The Finance and Insurance Sector had the highest average earnings in the region with $105,109. This was followed by the Utilities Sector with earnings of $88,154 and the Health Care and Social Assistance Sector, with $85,060. The Government Sector had average earnings of $73,393 in 2018, this was still higher than the average earnings for the entire region in 2018 of $52,592.

Figure 7: 2018 Average Earnings by Economic Sector for SLTSA.



Source: EMSI, 2020b.

Between 2014 and 2018, the three highest growing occupations (in terms of employment) included the Postsecondary Teachers Occupations, the Insurance Sales Occupations and the Emergency Medical Technicians and Paramedics Occupations, respectively. The fastest declining sectors during this period included the Heavy and Tractor-Trailer Truck Drivers Occupations, the Automotive Service Technicians and Mechanics Occupations, and the Food Preparation Workers Occupations. The Insurance Sales Occupations is part of the Finance and Insurance Sector, which in 2018 made up a total of 3.43% of total study area employment. The Emergency Medical Technicians and Paramedics Occupations are part of the Health Care and Social Assistance Sector, which made up 11.89% of total study area employment.

In terms of occupations, the highest growing occupations between 2014 and 2018 were the Computer and Mathematical Occupations, Education, Training, and Library Occupations, and

the Sales and Related Occupations. The fastest declining occupations were the Military-only Occupations, the Community and Social Service Occupations, and the Protective Service Occupations.

SECTION 4: IMPACT OF LAKE TAHOE AIRPORT ON THE SOUTH LAKE TAHOE STUDY AREA ECONOMY

The Multiplier Effects

The impact of airport-related operating and employee expenditures are called multiplier effects. Multiplier effects are a simplified and compact way of representing these effects on the local economy. The multiplier is interpreted as the impact of a one-unit change in sales, employment, or income that results in a corresponding total impact on sales, employment, or income in the larger economy. The multiplier represents the recycling of dollars and income in a specified geographic unit, such as the SLTSA economy. This recycling creates new job opportunities and higher wages for individuals.

There are three types of multiplier effects based on the type of economic impact analysis undertaken: direct, indirect, and induced. These types are illustrated in Figure 8. The *direct multiplier effect* is based on an industry's initial economic impact on the region's economy. For example, if the airport has expenditures of $5 million, then this figure becomes the direct economic impact on the community. The *indirect multiplier effect* is based on industry-to-industry transactions only. For example, the airport sector purchases local accounting services, supplies, and other contracted services. The indirect multiplier effect does not include the effect of airport-related employee spending on retail and service sectors such as housing, groceries, and real estate. For this purpose, the *induced multiplier effect* includes both the industry-to-industry transactions and household purchases, including employee spending. The *total economic impact* is defined as the direct plus indirect and induced economic impacts.

Figure 8: Airport Related Economic Impact Multipliers.

Type of Multiplier	Direct	Indirect	Induced
Output Multiplier	Airport Expenditures	Airport Supplier Expenditures	Local retail & service expenditures related to airport spending
Employment Multiplier	Airport Jobs	Airport Supplier Jobs	Local retail & service jobs related to airport employee spending
Income Multiplier	Airport Employee Income	Airport Supplier Employee Income	Local retail & service income related employee spending

The direct, indirect, induced, and total impact multiplier effects can be classified as output, employment, and income multipliers. An output multiplier of 2.0 indicates that if one dollar is spent by the airport, an additional dollar is spent in other sectors due to business and household spending. An employment multiplier of 2.0 indicates that if one job is created in the airport sector, 1.0 additional job is created in other sectors due to business and household spending. Likewise, an income multiplier of 2.0 indicates that for every dollar of income created in the airport sector, an additional dollar of income is created in other sectors due inter-industry spending by airport related businesses and employees. The measurement of multiplier effects, the input-output model, and IMPLAN data utilized in this report are explained in Appendix A.

Multi-Regional Input-Output Modeling

Early versions of single region input-output models suffered criticism for failing to consider inter-regional linkages and feedbacks between economies. For this study, the study area is split between two states, California, and Nevada. For the SLT California Study Area, the following

zip codes cover the City of South Lake Tahoe which are zip codes 96150, 96151, 96152, 96154, 96155, 96156, 96157, and 96158 (Datasheer, 2020). For the state of Nevada, zip codes 89413, 89448, and 89449 make up the Nevada Study Area. Using the IMPLAN software (IMPLAN LLC, 2019), a multi-regional input-output model was developed. The multi-regional input-output model derives estimates of economic, employment, labor income, and tax impacts between the two regions of the study area from activities at the LTA.

The multi-regional input-output (MRIO) model expands economic linkages within the SLTSA by comparing commodity trade and commodity flows to derive changes in study area (Nevada Study Area) stemming from changes in production and/or income in the other study area (SLT California Study Area). In MRIO analysis, the direct effect in one study area (the SLT California Study Area) can trigger indirect and induced effects in the linked study area (the Nevada Study Area).

Section 5: ESTIMATED MULTI-REGIONAL IMPACTS of LAKE TAHOE AIRPORT (LTA) on the SOUTH LAKE TAHOE STUDY AREA (SLTSA)

The Impact of the Lake Tahoe Airport Construction on South Lake Tahoe Study Area Economy

Table 1 summarizes the impacts of LTA construction on expenditures, employment, and labor income in the SLT California Study Area's economy. From conversations with the LTA staff (2020), financial information regarding construction costs and grants to LTA were collected and in the in the analysis. Table 1 reveals that LTA spent $849.9 thousand locally on construction-related operations, which created total economic activity in the SLT California Study Area of $1.28 million. LTA construction expenditures created an additional $425.2 thousand in economic activity in SLT California Study Area through indirect and induced economic activity. LTA construction directly hired 8.9 employees and created a total employment impact in the SLT

California Study Area of 11.8 employees through economic linkages. This means that LTA construction created an additional 2.9 jobs through its indirect and induced linkages in the SLT California Study Area. Finally, LTA construction directly contributed labor incomes of $635.0 thousand and created a total of $770.7 thousand in labor income in the SLT California Study Area through its economic linkages. This means that LTA construction created an additional $135.7 thousand in labor income in the SLT California Study Area through its indirect and induced economic linkages.

Table 1. Economic, Employemnt, and Labor Income Impacts of the LakeTahoe Airport Construction on the SLT California Study Area Economy.

ImpactType	Value of Output	Employment	Labor Income
Direct Effect	$849,924	8.9	$635,018
Indirect Effect	$97,586	0.6	$29,782
Induced Effect	$327,621	2.3	$105,862
Total Effect	$1,275,131	11.8	$770,663

Table 2 summarizes the multi-regional indirect and induced impacts of the of LTA construction in the SLT California Study Area on expenditures, employment, and labor income in the Nevada Study Area. Table 2 reveals that the LTA construction in the SLT California Study Area created an additional $44.500 thousand in economic activity in the Nevada Study Area through multi-regional indirect and induced economic activity. LTA construction in the SLT California Study Area directly hired 8.9 employees and created a total employment impact in the Nevada Study Area of 0.2 employees through its economic linkages. Finally, LTA construction in the SLT California Study Area created a total of $770.7 thousand in labor income which resulted in $7.9 thousand in labor income in the Nevada Study Area economy through its multi-regional indirect and induced economic linkages.

Table 2. Economic, Employment, and Labor Income Impacts of Lake Tahoe Airport Construction on the Nevada Study Area.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$0	0.0	$0
Indirect Effect	$18,466	0.1	$5,509
Induced Effect	$25,990	0.1	$2,381
Total Effect	$44,456	0.2	$7,889

The Impact of the Lake Tahoe Airport Tenants on South Lake Tahoe Economy

Table 3 summarizes the impact of LTA tenants on the SLT California Study Area economy. From conversations with the Lake Tahoe Airport staff (2020) a list of airport tenants at the LTA were derived. Their employment, value of production, and labor income were estimated from data provided by the LTA staff (2020) and IMPLAN database (IMPLAN, LLC, 2020a). Table 3 shows that LTA tenants spent $6.096 million locally on operations, which created total economic activity in the SLT California Study Area economy of $8.980 million. This means that the LTA tenants created an additional $2.884 million in economic activity in SLT California Study Area through indirect and induced economic activity.

LTA tenants directly hired 46.0 employees and created a total employment impact in the SLT California Study Area of 65.9 employees through its economic linkages. This means that the LTA created an additional 19.9 jobs through its indirect and induced linkages in the SLT California Study Area economy. Finally, LTA tenants directly had labor incomes of $2.933 million and created a total of $3.893 million in labor income in the SLT California Study Area economy through its economic linkages. This means that the LTA tenants created an additional $960.0 thousand in labor income in the SLT California Study Area economy through its indirect and induced economic linkages.

Table 3. Economic, Employment, and Labor Income Impacts of the Lake Tahoe Airport Tenants on the SLT California Study Area Economy.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$6,095,907	46.0	$2,933,359
Indirect Effect	$1,230,154	8.4	$425,102
Induced Effect	$1,653,735	11.5	$534,333
Total Effect	$8,979,796	65.9	$3,892,794

Table 4 summarizes the indirect and induced impacts of the of LTA tenants in the SLT California Study Area on expenditures, employment, and labor income for the Nevada Study Area economy. Table 4 shows the LTA tenants in the SLT California Study Area created an additional $472.9 thousand in economic activity in the Nevada Study Area through indirect and induced economic activity. LTA tenants in the SLT California Study Area directly hired 46.0 employees and created a total employment impact in the Nevada Study Area of 2.9 employees through its economic linkages. Finally, LTA tenants in the SLT California Study Area created a total of $3.892 million in labor income which resulted in $108.9 thousand in labor income in the Nevada Study Area economy through its indirect and induced economic linkages.

Table 4. Economic, Employment, and Labor Income Impacts of Lake Tahoe Airport Tenants on the Nevada Study Area Economy.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$0	0.0	$0
Indirect Effect	$312,040	2.0	$87,465
Induced Effect	$160,855	0.9	$21,399
Total Effect	$472,895	2.9	$108,864

The Impact of the Lake Tahoe Airport Operations on South Lake Tahoe Economy

Table 5 summarizes the impacts of LTA operations on the SLT California Study Area economy. From conversations with the Lake Tahoe Airport staff (2020) a budget of airport expenditures

and revenues at the LTA was derived. Employment, value of production, and labor income were estimated from data provided by the LTA staff and IMPLAN database. Table 5 shows SLTA spent $3.915 million locally on operations, which created total economic activity in the SLT California Study Area economy of $5.441 million. This means that LTA operations created an additional $1.526 million in economic activity in the SLT California Study Area through indirect and induced economic activity.

LTA operations directly hired 3.0 employees and created a total employment impact in the SLT California Study Area of 12.9 employees through its economic linkages. This means that the LTA created an additional 9.9 jobs through its indirect and induced economic linkages in the SLT California Study Area. Finally, LTA operations directly had labor incomes of $479.9 thousand and created a total of $1.026 million in labor income in the SLT California Study Area economy through its economic linkages. This means that the LTA operations created an additional $545.9 thousand in labor income in the SLT California Study Area economy through its indirect and induced economic linkages.

Table 5. Economic, Employment, and Labor Income Impacts of Lake Tahoe Airport Operations on the SLT California Study Area.

Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$3,915,044	3.0	$479,949
Indirect Effect	$1,091,283	6.9	$405,493
Induced Effect	$434,620	3.0	$140,398
Total Effect	$5,440,946	12.9	$1,025,840

Table 6 summarizes the indirect and induced impacts of the of LTA operations in the SLT California Study Area on expenditures, employment, and labor income for the Nevada Study Area economy. Table 6 shows LTA operations in the SLT California Study Area created an additional $281.8 thousand in economic activity in the Nevada Study Area through indirect and

induced economic activity. LTA operations in the SLT California Study Area directly hired 3.0 employees and created a total employment impact in the Nevada Study Area of 1.7 employees through its economic linkages. Finally, LTA operations in the SLT California Study Area created a total of $1.026 million in labor income which resulted in $67.0 thousand in labor income in the Nevada Study Area economy through its indirect and induced economic linkages.

Table 6. Economic, Employment, and Labor Income Impacts of South Lake Tahoe Airport Operations on the Nevada Study Area.

Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$0	0.0	$0
Indirect Effect	$219,366	1.3	$55,073
Induced Effect	$62,438	0.4	$11,911
Total Effect	$281,804	1.7	$66,984

The Impact of the Lake Tahoe Airport Visitors on South Lake Tahoe California Region Study Area Economy

Lake Tahoe located on the California-Nevada border has long been recognized as a national and international destination for vacations, leisure, gaming, and conventions. With approximately 2.7 million visitors per year (Lake Tahoe Visitors Bureau, 2020), LTA plays an important and significant part in Lake Tahoe's tourism/visitor's economic cluster. From the LTA staff (2020) and LTA airport operations reports, the number of enplanements that occurred at LTA in 2018 were estimated. To derive the direct visitor expenditures, information from published studies by RRC Associate (2007) and SMG (2004) were applied to estimate visitor expenditures in South STL California Study Area and Nevada Study Area. Table 7 was developed from study by RRC Associates (2007). Average or medium data points were used in the analysis to derive factors for visitor spending impacts. From table 7, Using average conditions, 11.25% of people who enplaned at the Lake Tahoe Airport were residents of the City of South Lake Tahoe. Following

this procedure, the number of enplanements from outside the SLT California Study Area was derived. Also, the RRC Associates (2007), 32.5% of the remaining visitors would have visited the City of South Lake Tahoe, California even if the airport did not exist. Applying these two factors, the number of tourists who enplaned at South Lake Tahoe Airport that lived outside the City of South Lake Tahoe and visited South Lake Tahoe because the airport existed, was derived. This type of analysis derives impacts, not contributions of the airport[1]. Also, the visitor expenditures were inflated to 2018 values by using the GDP price deflator (Federal Reserve Bank of St. Louis (2020).

Table 7. Model Assumptions at Midpoints for Visitor Expenditures.

Description	Cells Which User Can Change	Range of Values
Rate of Passenger Ramp Up	Medium	Slow, Medium, or Fast
Percent Local Residents of City of South Lake Tahoe	11.25%	7.5% - 15.0%
Percent of Victors Otherwise Not Captured	32.50%	25.0% - 40.0%
Spending Per Visitor Per Visit	$650	$500 - $800

Source: RRC Associate (2007).

Table 8 shows the visitor expenditures and location of expenditures that were employed to derive visitor impacts.

Table 8. Estimation of Share of South Shore Visitor Expenditures Accruing to City of South Lake Tahoe		
CATEGORY	SHARE OF SPENDING	CITY of SOUTH LAKE TAHOE SHARE OF VISITOR SPENDING
Lodging	23%	60%
Food & Beverage	22%	65%
Entertainment	25%	50%
Retail Shopping	9%	80%
Daily Transportation	2%	80%
Gaming	19%	0%
TOTAL	100%	50%
Source: SMG Consultants (2004). First Quarter South Shore Survey.		

Table 9 shows LTA tourists spent $2.32 million in the SLT California Study Area, which created total economic activity in the SLT California Study Area economy of $3.28 million. LTA tourism created an additional $956.8 thousand in economic activity in SLT California Study Area through indirect and induced economic activity.

SLT California Study Area tourism expenditures supported direct employment of 30.1 and created a total employment impact in the SLT California Study Area of 37.0 employees through its economic linkages. This means that SLT California Study Area tourism created an additional 6.9 jobs through its indirect and induced economic linkages. Finally, SLT California Study Area tourism had direct labor incomes of $967.1 thousand and created a total of $1,28 million in labor income in the SLT California Study Area economy through its economic linkages. This means that the LTA tourism created an additional $311.4 thousand in labor income in the South Lake Tahoe economy through its indirect and induced economic linkages.

Table 9. Economic, Employemnt, and Labor Income Impacts from Visitors in the SLT California Study Area from Lake Tahoe Airport Landing Parties.			
Impact Type	Value of Output	Emplyment	Labor Income
Direct Effect	$2,324,112	30.1	$967,112
Indirect Effect	$415,452	3.1	$136,498
Induced Effect	$541,311	3.8	$174,855
Total Effect	$3,280,875	37.0	$1,278,465

Table 10 summarizes the multi-regional indirect and induced spillover impacts of the of SLT California Study Area tourism on expenditures, employment, and labor income in the Nevada Study Area. Table 10 shows that the LTA tourism in the SLT California Study Area created an additional $1.33 million in economic activity in the Nevada Study Area through multi-regional indirect and induced economic activity. LTA tourism in the SLT California Study Area directly hired 30.1 employees and created a total employment impact in the Nevada Study Area of 9.1 employees through its economic spillover linkages. Finally, LTA tourism in the SLT California Study Area created a total of $1.28 million in labor income which resulted in $404,700 in labor income in the Nevada Study Area economy through its multi-regional indirect and induced linkages.

Table 10. Spillover Economic, Employment, and Labor Income Impacts from Visitors in the SLT California Study Area on the Nevada Study Area by Lake Tahoe Airport Landing Parties.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$0	0.0	$0
Indirect Effect	$606,464	4.2	$191,744
Induced Effect	$724,038	4.9	$212,946
Total Effect	$1,330,501	9.1	$404,690

The Impact of the Lake Tahoe Airport Visitors on South Lake Tahoe Nevada Region Study Area Economy

Table 11 summarizes the impacts of LTA tourism on expenditures, employment, and labor income for the Nevada Study Area. Because of the Accommodation Sector which includes Casinos in the Nevada Study Area, economic impacts of expenditures in the Nevada Study Area and subsequent spillover impacts to the SLT California Study Area need to be estimated. From the LTA staff (2020), an airport operations report consisting of general aviation enplanements to LTA were derived and applied to a previous model results by RRC Associates, Inc. (2017). Their employment, value of production, and labor income were estimated from data provided by the LTA staff (2020) and IMPLAN database (2020a). Table 11 reveals that LTA tourism spent $255 million in the Nevada Study Area, which created total economic activity in the Nevada Study Area economy of $3.21 million. LTA tourism created an additional $609.1 thousand in economic activity in the Nevada Study Area through indirect and induced economic activity. LTA tourism expenditures caused directly hiring of 26.2 employees and created a total employment impact in the Nevada Study Area of 30.7 employees through its economic linkages. This means that LTA tourism created an additional 4.5 jobs through its indirect and induced economic linkages. Finally, LTA tourism directly had labor incomes of $1.09 million and created a total of $1.27 million in labor income in the Nevada Study Area through its economic linkages. This means that the LTA tourism expenditures created an additional $186.8 thousand in labor income in the Nevada Study Area economy through its indirect and induced economic.

Table 11. Economic, Employment, and Labor Income Impacts from Visitors in the Nevada Study Area from Lake Tahoe Airport Landing Parties.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$2,547,180	26.2	$1,087,556
Indirect Effect	$437,996	3.0	$131,353
Induced Effect	$221,103	1.5	$55,530
Total Effect	$3,206,278	30.7	$1,274,439

Table 12 summarizes the multi-regional indirect and induced impacts of the of LTA tourism in the Nevada Study Area on expenditures, employment, and labor income in the SLT California Study Area economy. Table 12 shows that the LTA tourism in the Nevada Study Area created an additional $1.63 million in economic activity in the SLT California Study Area through multi-regional indirect and induced economic activity. LTA tourism expenditures in the Nevada Study Area directly hired 26.2 employees and created a total employment impact in the SLT California Study Area of 11.4 employees through its economic linkages. Finally, LTA tourism in Nevada created a total of $1.27 million in labor income which resulted in $924.7 thousand in labor income in the SLT California Study Area through its multi-regional indirect and induced linkages.

Table 12. Spillover Economic, Employment, and Labor Income Impacts from Visitors in the Nevada Study Area on the California Study Area Economy by Lake Tahoe Airport Landing Parties.			
Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$0	0.0	$0
Indirect Effect	$583,920	4.3	$292,173
Induced Effect	$1,044,246	7.1	$632,568
Total Effect	$1,628,166	11.4	$924,741

Tax Revenue Collections for the City of South Lake Tahoe from Lake Tahoe Airport Activities

Using results of the multi-regional impact analysis for Construction, Tenants, Operations, Tourism in California, and Tourism in Nevada, revenues to the City of South Lake Tahoe were estimated. From the City of South Lake Tahoe, California annual budget (2020) and IMPLAN database (2020a). It was estimated that Transient Occupancy Tax revenues to City of South Lake Tahoe under average visitor conditions at a 12% would be approximately $167,925 or at 14% TOT revenues would be estimated to be $195,911. The sales tax rate for the City of South Lake Tahoe is 0.05%. Therefore, under average visitor conditions, sales tax revenues are estimated to be $11,452. However, to derive the impacts to revenues, contribution procedures[1] should be employed. That is tourist activity was increased by 32.5% to incorporate tourism expenditures of tourists who would have come to South Lake Tahoe, California regardless of the existence of the airport. Also, visitor expenditures were estimated at their highest per visitor rate, estimated TOT tax revenues under 12% rate would be $268,171 or at the 14% rate would be $312,867. Sales taxes to the City of South Lake Tahoe, California under contribution analysis procedures are estimated to be $15,552.

SECTION 6: CONCLUSION

The value of output, employment, labor income, and local government tax revenues presented in this report document the impacts of the Lake Tahoe Airport on the economies of South Lake Tahoe (SLT) California Study Area and the three aggregated zip codes in Nevada comprising the Nevada Study Area. Below are some summary statistics from the study:

- For the residents of the City of South Lake Tahoe, California and three aggregated zip codes in the state of Nevada, the Lake Tahoe Airport (LTA) provides access to airport services for this community and the South Lake Tahoe casino industry.
- To show economic linkages and spillover effects of the LTA activities and the Nevada casinos, a multi-regional input-output model was employed to derive these spillover impacts.
- LTA operations, tenants, and construction activities were derived from data and conversations with the LTA staff (2020).
- Tourism expenditures for the SLT California Study Area and Nevada Study Area were estimated from previous study by RRC Associates (2007).
- Table 13 shows the SLT California Study Area cumulative economic, employment, and labor income impacts from LTA operations, construction, tenants, tourism in the SLT California Study Area by person who deplaned at LTA, and spillover impacts of Nevada Study Area tourism on the SLT California Study Area by persons who deplaned at LTA.

Table 13. SLT California Study Area Cumulative Economic, Employment, and Labor Income Impacts from LTA Operations, Construction, Tenant, Tourism in SLT California Study Area, and Spillover from Nevada Study Area Visitors.

Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$13,184,987	164.1	$4,996,476
Indirect Effect	$3,436,861	23.4	$1,425,910
Induced Effect	$4,027,523	27.8	$1,855,261
Total Effect	$20,649,371	215.3	$8,277,647

- From Table 13, cumulative direct economic activity from LTA on the SLT California Study Area was estimated to have direct impacts of $13.18 million and secondary impacts (indirect and induced) of $7.47 million for total impacts of $20.65 million. For employment, cumulative direct employment impacts were estimated to be 164.1 jobs, with secondary

impacts of 51.2 jobs, which yields total employment impacts of 215.3 jobs in the SLT California Study Area. As for labor income impacts from activities aligned with the LTA, cumulative direct labor income was $5.00 million. With secondary labor income impacts of $3.28 million, total labor income impacts in the SLT California Study area from the LTA was $8.28 million.

- Table 14 shows the Nevada Study Area cumulative spillover economic, employment, and labor income impacts from LTA operations, construction, tenants, tourism in the Nevada Study Area by person who deplaned at LTA, and spillover impacts of SLT California Study Area tourism on the Nevada Study Area by persons who deplaned at LTA.

Table 14. Nevada Study Area Cumulative Economic, Employment, and Labor Income Impacts from LTA Operations, Construction, Tenant, Visitors in Nevada Studuy Area Study Area, and Spillover from SLT Study Area Visitors

Impact Type	Value of Output	Employment	Labor Income
Direct Effect	$2,547,180	26.2	$1,087,556
Indirect Effect	$1,594,332	10.6	$492,346
Induced Effect	$1,194,424	27.8	$248,637
Total Effect	$5,335,936	64.6	$1,828,539

- From Table 14, cumulative direct economic activity from LTA on the Nevada Study Area was estimated to have direct impacts of $2.55 million and secondary impacts (indirect and induced) of $2.79 million, for total impacts of $5.34 million. For employment, cumulative direct employment impacts were estimated to be 26.2 jobs, with secondary impacts of 38.4 jobs, which yields total employment impacts of 64.6 jobs in the Nevada Study Area. As for labor income impacts from activities aligned with the LTA, cumulative direct labor income was $1.09 million. With secondary labor income impacts of $741.0 thousand, total labor income impacts in the Nevada Study Area from the LTA aligned activities was $1.83 million.

- Using data and procedures from RRC Associates (2017), City of South Lake Tahoe 2020 annual budget (2020), and IMPLAN model (2020b), impacts to City of South Lake Tahoe tax revenues are estimated. Under average tourism assumption, Transient Occupancy Tax (TOT) at 12% rate was estimated to be $167,925 and under 14% rate TOT revenues are estimated to be $195,911. Sales taxes for City of South Lake Tahoe under average conditions are estimated to be $11,452. When alternative assumption of contribution analysis and tourism at its highest levels, TOT revenues are estimated to be $268,171 under TOT rate of 12% or $312,867 under TOT rate of 14%, Sales taxes under contribution assumption and high tourism is estimated to be $15,552.
- In addition to its quantitative impacts of LTA, the presence of a local airport improves the region's attractiveness. Businesses consider airport proximity in their business locations.

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FOOTNOTES

[1]From a referenced study by Watson et al. (2007), economic contributions are defined as the gross changes in a study area's existing economy, that can be attributed to a given industry, event, or policy. Economic impacts should be reserved for narrow results where an industry, event, or policy has results for either new revenues that would not otherwise occur in the study area or keeping revenues in the study area that otherwise be lost to the study area.

[2]Using RCC, Associates (2017) study and information from the LTA manager (2020), the number of tourist impact analysis was derived. First from the LTA manager (2020), the number of aircraft operations in 2018 was derived. Second from RCC Associates (2017), the number of persons in each operation ranged between 2 to 5 people. Therefore, the average number of persons in each airport operation was estimated to be 3.5 people. Third, from RCC Associates (2017), the percent of aircraft operations made by City of South Lake Tahoe residents ranged between 7.5% and 15.0%. The average percentage for this analysis is 11.25%. Fourth from RCC Associates (2017), the percent of visitors that would have visited the City of South Lake Tahoe regardless of the existence of the LTA ranged between 25% and 40%. The average value used for this analysis was 32.5%. Fifth, the amount of tourism dollars expended ranged between $500 to $800 per visitor per visit. The mid-point expenditure per visitor per visit was assumed to be $650. Sixth, the percent of tourism expenditure spent in South Lake Tahoe, California ranged between 40% to 60%. The midpoint used for the analysis was 50%. Finally, from RCC Associates (2017), tourism expenditures were delineated by economic sector and by location either in South Lake Tahoe, California, or the Nevada Study Area.

Appendix A: Model and Data Used to Estimate Output, Employment, and Income Multipliers

The economic impacts and secondary benefits of economic activity presented in this report are measured by multipliers using an input-output model and data from IMPLAN, a model that is widely used by economists and other academics in the United States. A computer spreadsheet that uses state IMPLAN multipliers was developed by to enable community development specialists to measure the secondary benefits of the airport sector on state, regional, or county economies.

Input-output (I/O) analysis is designed to analyze the transactions among industries in an economy (Miernyk 1965). These models are largely based on the work of Wassily Leontief during the 1930s. Detailed I/O analysis captures the indirect and induced interrelated circular behavior of the economy. For example, an increase in the demand for airport services requires more equipment, more labor, and more supplies, which, in turn, requires more labor to produce the supplies, and so on. By simultaneously accounting for structural interaction between sectors and industries, I/O analysis gives expression to the general economic equilibrium systems. The analysis utilizes assumptions based on linear and fixed coefficients and limited substitutions among inputs and outputs. The analysis assumes that average and marginal I/O coefficients are equal. Nonetheless, the framework has been widely accepted and used by economists and policymakers. I/O analysis is useful when carefully executed and interpreted in defining the structure of a region, the interdependencies among industries, and forecasting economic outcomes. The I/O model coefficients describe the structural interdependencies of an economy. From the coefficients, various predictive devices can be computed, which can be useful in analyzing economic changes in a state, region, or county. Multipliers indicate the relationship between some observed change in the economy and the total change in economic activity created through the economy.

MicroIMPLAN is a computer program developed by the United States Forest Service to construct I/O accounts and models (Alward, et al. 1989). Typically, the complexity of I/O modeling has hindered practitioners from constructing models specific to a community requesting an analysis. Too often, inappropriate multipliers have been used to estimate local economic impacts. In contrast, IMPLAN can construct a model for any state, region, county, or zip code area in the United States by using available state, region, county, or zip code data. Impact analysis can be performed once a regional I/O model is constructed.

Five different sets of multipliers are estimated by IMPLAN, corresponding to five measures of regional economic activity: (1) total industry output, (2) personal income, (3) total income, (4) value added, and (5) employment. Three types of multipliers are generated. Type I multipliers measure the impact in terms of direct and indirect effects. Direct impacts are the changes in the activities of the focus industry or firm, such as the operation of the local airport. The focus business changes its purchases inputs because of the direct impacts. This produces indirect impacts in other business sectors. However, the total impact of a change in the economy consists of direct, indirect, and induced changes. Both the direct and indirect impacts change the flow of dollars to the state, region, or county's households. Subsequently, the households alter their consumption. The effect of the changes in household consumption on businesses in a community is referred to as an induced effect. To measure the total impact, a Type II multiplier is used. The Type II multiplier compares direct, indirect, and induced effects with the direct effects generated by a change in final demand (the sum of direct, indirect, and induced effects divided by direct effects). IMPLAN also estimates a modified Type II multiplier that also includes the direct, indirect, and induced effects. The Type III multiplier further modifies the induced effect to include spending patterns of households based on a breakdown of households by nine different income groups.

Additional information on the data, methodology, and software requirements of I/O modeling and IMPLAN analysis can be found in guides developed by Alward, et al., (1989), and Cheney (2017).

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 19

Agenda Item: Ordinance Adopting 2022 California Building Standards Code (First Reading)

Executive Summary: The California State Building Codes (California Code of Regulations Title 24) will be updated as of January 1, 2023. Modifications to the South Lake Tahoe City Code are needed to comply with the State's updated building safety requirements. State law provides the opportunity for local government to either adopt the state's building code standards or to review and modify them, provided that the changes made are supported by findings that the changes are reasonably necessary because of local climatic, geological, or topographical conditions.

Requested Action / Suggested Motions: Pass a Motion to hold first reading (by title only) of an Ordinance amending South Lake Tahoe City Code, Title 6, Chapter 6.15 Building Regulations, Articles I-IV, by adopting the 2022 California Building Standards Code (California Code of Regulations Title 24), including California Green Building Code, Building Code, Fire Code, and related Construction Codes, and refer second reading and adoption to the November 15, 2022 meeting.
Responsible Staff Member: Hilary Roverud, Director of Development Services

Responsible Staff Member: Ron Beehler, Interim Building Official
Hilary Roverud, Director of Development Services

Reviewed and Approved By:
Susan Blankenship, City Clerk
Olga Tikomirova, Finance Director
Heather Stroud, City Attorney

Attachments:

01-Staff Report - Building Ordinance.docx
02-Ordinance - Building Regulations.docx
03 -Exhibit A to Ordinance, Chapter 6.15 Building Regulations - Edited.docx
04 -Ch 6.15 Redline.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Ordinance Adopting 2022 California Building Standards Code

Location: Citywide

Responsible Staff Member: Ron Beehler, Interim Building Official

Background: The 2022 California Building Standards Codes (CBSC), which includes the Fire Code, becomes effective in California cities on January 1, 2023. Typically, every three years, the California Building Standards Commission reviews and revises the California Building, Fire, Plumbing, Mechanical, Residential, Green Building and Electrical Codes. California Health and Safety Code Section 17958 requires local agencies to adopt the building standards contained in these uniform statewide codes but allows cities to modify the codes to reflect local conditions. The City of South Lake Tahoe adopted its current codes, incorporating and modifying the 2019 California Building Standards Code in December 2019.

Issue and Discussion: Modifications to the South Lake Tahoe City Code are needed to comply with the State's updated building safety requirements. State law provides the opportunity for local government to either adopt the state's building standards or to review and modify them, provided that the changes to state law made by cities and counties impose equal or more restrictive requirements.

The building related codes that will be adopted by reference in the proposed ordinance are:

- 2022 California Building Code – CCR Title 24 Part 2
- 2022 California Residential Code – CCR Title 24 Part 2.5
- 2022 California Electrical Code – CCR Title 24 Part 3
- 2022 California Mechanical Code – CCR Title 24 Part 4
- 2022 California Plumbing Code – CCR Title 24 Part 5
- 2022 California Energy Code – CCR Title 24 Part 6
- 2022 California Historical Building Code – CCR Title 24 Part 8
- 2022 California Fire Code – CCR Title 24 Part 9
- 2022 California Existing Building Code – CCR Title 24 Part 10
- 2022 California Green Building Standards Code – CCR Title 24 Part 11
- 2021 International Swimming Pool, Spa and Hot Tub Code
- 2021 International Property Maintenance Code

The attached proposed ordinance adopting the 2022 CBSC represents a continuation of existing City practice with regard to local modifications. It revalidates and readopts the City's current local amendments which includes the City of South Lake Tahoe's minor modifications due to local climatic, geologic and topographic conditions, and minor administrative changes. It is worth noting that some of these changes to the local ordinance in relation to climatic and topographic conditions have been amended for the safety of the public, fire fighters, and other emergency responders. The most significant local modifications are:

- On newly constructed and/or altered buildings where building setbacks exceed one hundred feet (100') from the street or road fronting the property, additional contrasting six inch (6") high numbers shall be displayed at the property entrance. The addresses for new multi-family, new commercial and new industrial buildings shall display address/suite numbers with a minimum of six-inch (6") high by three-quarters (3/4") stroke numbers and placed on a contrasting background on the front and rear doors of each suite/unit.

- New and altered roofs are required to meet standards to ensure they will have lower risk due to accumulated snow sliding off causing damage to property and/or harming people.

    1. Roof surfaces and photovoltaic panels that are susceptible to rooftop avalanche risk shall be designed so that snow shed impact areas will not occur in or on entries/exits (required exits for residential units), vehicle parking areas, driveways, LPG storage tanks, gas meters, electrical meters, walkways and public ways.
    2. The minimum snow shed impact area shall have a setback of ten feet measured horizontally from a vertical line projecting from the roof eave to the other constructed elements, such as fences, sheds, patio covers, etc.
    3. The snow shed impact area may be eliminated provided an engineered snow restraint system, designed in accordance with this code, is incorporated into the roof design and in other than residential units, an approved roof drainage system (e.g., heated gutter and downspout) is installed to prevent ice formation and/or accumulation at the grade or access level.
    4. Property owners shall maintain snow shed impact areas to prevent snow from encroaching beyond the impact area boundaries.
    5. Existing structures may use engineered snow shed restraint devices without an approved roof drainage system to reduce hazards associated with the existing roof design.

- Additional verbiage is inserted to ensure carbon monoxide risks are reduced as effected by snow, by amending California Mechanical Code to read as follows: "Exhaust terminals and combustion air intakes shall not be located under decks which could be sealed off around the perimeter with snow accumulation."

Additionally, staff has reorganized Chapter 6.15 of the South Lake Tahoe City Code for a clearer and more concise read.

Multiple additional modifications and changes have been incorporated within the 2022 California Building Codes some of the most significant occurring within the California Energy Code including the following requirements:

- For Single Family Residential projects:

    1. In new construction when a gas water heater is installed a space must be designated for a future heat pump water heater along with installation of wiring and dedication of breaker spaces for a future electric powered heat pump water heater.
    2. New energy storage system ready requirements.
    3. New electric ready requirements for space heating, cooking, and clothes drying when gas equipment is installed which requires installation of wiring and dedication of breaker spaces for future electric powered replacement equipment.
    4. Compliance under the prescriptive compliance method will require a heat pump water heater or solar water heating system with electric backup. Not required when utilizing the performance method of compliance.

- For Multifamily Residential projects:

    1. For new lighting control and mechanical systems, Acceptance Test Technician Certification Providers (ATTCPs) must record related Certificates of Compliance, Installation, and Acceptance Testing in an electronic database.
    2. New electric ready requirements for space heating, cooking, and clothes drying when gas equipment is installed which requires installation of wiring and dedication of breaker spaces for future electric powered replacement equipment.
    3. New dwelling requirements for a central fan integrated ventilation system requiring a motorized control damper, damper controls, and variable ventilation.
    4. Water heaters serving a single dwelling unit within a multifamily building must be Heat Pump Water Heater.
    5. New photovoltaic and battery storage requirements added for specific building types, including buildings with over three habitable stories.

- For Nonresidential projects:

    1. For new lighting control and mechanical systems, Acceptance Test Technician Certification Providers (ATTCPs) must record related Certificates of Compliance, Installation, and Acceptance Testing in an electronic database.
    2. Most newly constructed commercial buildings utilizing the prescriptive compliance method are required to have a photovoltaic system and battery storage system. Not required when utilizing the performance method of compliance.

3. Full or partial-off occupant sensing controls are required for aisle ways and open areas in warehouses, library book stack isles, corridors and stairwells, and offices greater than 250 square feet.
4. Minimum heating, ventilation, and air conditioning efficiency requirements have been updated for various equipment types.
5. Duct testing is now a mandatory requirement for newly installed commercial ducting systems.

The Building Division personnel and the Fire Department jointly reviewed the new state building code standards and the existing City Code. The amendments are being presented to the City Council with the recommendation of the Building Division and the Fire Department.

Financial Implications:
There are no City financial implications from the proposed amendments. Any costs associated with staff time preparing the code amendments are negated by the collection of building permit fees. No additional funding is necessary.

Environmental Considerations:
This project is exempt from environmental review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3), Review for Exemption; in that it can be seen with certainty that there is no possibility for these actions to have a significant effect on the environment.

Policy Implications:
State law requires that the local agency adopt findings for any local modifications to the building standards contained in the CBSC. These findings are included in the attached ordinance.

Ordinance 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

November 15, 2022

An Ordinance amending the South Lake Tahoe City Code, Title 6, Chapter 6.15 Building Regulations, Articles I-IV, by Adopting the 2022 California Building Standards Code (California Code of Regulations Title 24), including Green Building Code, Building Code, Fire Code, and related Construction Codes.

FINDINGS

A. The 2022 California Building Standards Codes (CBSC) becomes effective in California cities on January 1, 2023.
B. California Health and Safety Code Section 17958 requires local agencies to adopt the building standards contained in these uniform statewide codes but allows cities to modify the codes to reflect local conditions.
C. The City of South Lake Tahoe has adopted amendments to the CBSC in the past based on specific findings of local geographic, topographic and climatic conditions.
D. The provisions of this Ordinance establishing certain more restrictive standards than the California Codes will better serve to prevent or minimize structural damage resulting from local conditions.
E. Additional findings with respect to certain amendments to the California Codes are as set forth in specific Code sections.
F. The Council hereby reaffirms such findings and confirms that the facts on which such findings were based continue to exist.

Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:

SECTION 1. Enactment. Title 6, Chapter 6.15 Building Regulations, Articles I-IV of the City Code is amended as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 2. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court competent jurisdiction, such decision will not affect the validity of the remaining portions of this ordinance. The City Council declares that wit would have passed this ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 3. Publication. The City Clerk is directed to certify this Ordinance and cause it to be published in the manner required by law.

SECTION 4. Effective Date. This Ordinance shall become effective thirty (30) days after the date of its adoption.

SECTION 5. Environmental Findings. The City Councils finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to section 15061(b)(3) of Title 14 of the California Code of Regulations, in that the Council finds there is no possibility that the implementation of this Ordinance may have significant effects on the environment.

Adopted by the City of South Lake Tahoe City Council on November 15, 2022 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Devin Middlebrook, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading: October 4, 2022
Published:
Effective:

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

Chapter 6.15

BUILDING REGULATIONS

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For state law authorizing city to regulate the construction, alteration and repair of buildings and the materials used therefor, see Gov. C. § 38660. As to the authority of city to prescribe restrictions on buildings used for human habitation, equal to or greater than state law, see H. and S.C. § 17951. As to community antenna television systems, see Chapter 3.40 SLTCC. As to fire protection, see Title 5 SLTCC. As to plan line setbacks, see Chapter 6.35 SLTCC. As to signs and advertising structures, see Chapter 6.40 SLTCC. As to subdivision of land, see Chapter 6.45 SLTCC. As to zoning, see Chapter 6.55 SLTCC.

Prior legislation: Ords. 890, 958 and 959 and Code 1997 §§ 8-13, 8-14.1 – 8-24.3, 8-27 – 8-32 and 8-33 – 8-33.2.

Article I. In General

6.15.010 Applicability, purpose and authority.

The purpose of this chapter is to adopt by reference the 2022 Edition of the California Building Standards Code, Title 24 of the California Code of Regulations, subject to the clarifications and amendments set forth in this chapter. The purpose of this chapter is also to provide minimum requirements and standards for the protection of public safety, health, property and welfare of the City of South Lake Tahoe. The following adopted codes prescribe regulations for erecting, construction, enlargement, alteration, repair, improving, removal, conversion, moving, demolition, occupancy, equipment use, height and area of buildings and structures:

A. Building Code Adopted. The 2022 Edition of the California Building Code, known as the California Code of Regulations, Title 24 Part 2, incorporating the 2021 Edition of the International Building Code, published by the International Code Council, including Appendix C, Group U Agriculture Buildings, Appendix F, Rodent-proofing, Appendix H, Signs, and Appendix I, Patio Covers, is hereby adopted by reference.

B. Residential Code Adopted. The 2022 Edition of the California Residential Code, known as the California Code of Regulations, Title 24 Part 2.5, incorporating the 2018 Edition of the International Residential Code, published by the International Code Council, including Chapter 1, is hereby adopted by reference.

C. Electrical Code Adopted. The 2022 Edition of the California Electrical Code, known as the California Code of Regulations, Title 24 Part 3, incorporating the 2020 Edition of the National Electrical Code, published by the National Fire Protection Association, including Article 89, and Annex H is hereby adopted by reference.

D. Mechanical Code Adopted. The 2022 Edition of the California Mechanical Code, known as the California Code of Regulations, Title 24 Part 4, incorporating the 2021 Edition of the Uniform Mechanical Code, including Chapter 1, CMC Appendices A, B, C and D, is hereby adopted by reference.

E. Plumbing Code Adopted. The 2022 Edition of the California Plumbing Code, known as the California Code of Regulations, Title 24 Part 5, incorporating the 2021 Edition of the Uniform Plumbing Code, including appendices and installation standards, published by the International Association of Plumbing and Mechanical Officials, , is hereby adopted by reference.

F. Energy Code Adopted. The 2022 California Energy Code, known as the California Code of Regulations, Title 24 Part 6, published by the California Energy Commission, is hereby adopted by reference.

G. Historical Building Code Adopted. The 2022 California Historical Building Code, known as the California Code of Regulations, Title 24 Part 8, published by the International Code Council, is hereby adopted by reference.

H. Fire Code Adopted. The 2022 Edition of the California Fire Code, known as the California Code of Regulations, Title 24 Part 9, incorporating the 2021 Edition of the International Fire Code, published by the International Code Council, including Chapter 1, is hereby adopted by reference.

I. Green Building Standards Code Adopted. The 2022 Edition of the California Green Building Standards Code, known as the California Code of Regulations, Title 24 Part 11, published by the International Code Council, is hereby adopted by reference.

J. Swimming Pool, Spa and Hot Tub Code Adopted. The 2021 Edition of the International Swimming Pool, Spa and Hot Tub Code, published by the International Code Council, is hereby adopted by reference.

K. International Property Maintenance Code Adopted. The 2021 Edition of the International Property Maintenance Code, published by the International Code Council, is hereby adopted by reference. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-1)

6.15.020 Building, etc., permits generally.

The building official shall check the application, plans and specifications for any building, electrical, mechanical and plumbing permit and the energy efficiency standards for residential and nonresidential buildings. No permit shall be issued unless the plans and specifications have been reviewed and approved by each of the other departments of the city concerned as being in conformance with pertinent laws and ordinances under their jurisdiction. If the building official is satisfied that the work described in an application for a permit and the plans and specifications filed therewith conform to the requirements of this chapter and other pertinent laws and ordinances and that the fee specified has been paid, such official shall issue a permit therefor to the applicant. Reversed plans will not be accepted. No final inspection or approvals by the building division, for use or occupancy of any structure permitted by this chapter, shall be granted until final inspections and approvals are obtained from all other city and county departments which have imposed requirements for the project. (Ord. 926; Ord. 1003 § 1 (Exh. A); Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-2)

6.15.030 Design review.

A. Applicability. In general, the standards and guidelines contained in this title are to be applied to new construction, major remodeling more specifically.

B. All applicable projects are subject to the city's design review process. Contact the city planning department for specific process requirements. Some projects may also require approval by the Tahoe Regional Planning Agency. Applicants shall also contact the TRPA for their processing requirements.

1. All newly constructed or exterior remodeled buildings or structures proposed for any use other than single-family residential units.

2. Newly constructed or exterior remodeled residential units or structures which are located within 200 feet of the high water line of the lake.

3. All prefabricated or factory built buildings or structures.

4. All existing buildings or structures to be relocated within the city, regardless of proposed use.

5. Any structures proposed or located within a floodplain, as defined within the city code.

6. New or modified parking areas containing four or more parking spaces.

7. Other proposals without buildings or structures which could potentially affect the general appearance of the city, including public projects, such as erosion control projects.

C. No permit shall be issued in any case set forth herein until the plans therefor have been approved through the design review process and all buildings, structures and grounds shall be in accordance with the plans as approved. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-3)

6.15.040 Moving of buildings and structures – Relocation permit required.

No person shall move any buildings or structures from one location within or outside the city to another location within the city without having first obtained a relocation permit therefor from the city building division.

A. Written application for a relocation permit shall be made stating the contemplated uses of the building at the new location. The applicant shall also furnish a map showing the exact route on which the building is to be moved. Such route shall be approved by the public works director, together with the time within which the building is to be moved. A reasonable fee equal to the costs of processing the application shall be paid at the time of making the application, no part of which shall be refunded.

The application shall be accompanied by a photograph of the building or structure in its present location, a plot plan of the site on which the building or structure is to be located, a foundation plan and details, and, if the building or structure is to be altered in any way, architectural drawings showing floor plans and elevations in its new location.

B. In addition to the specified fee, any person who seeks a permit to move a building within the city shall first have executed and delivered to the city a good and sufficient surety bond in the penal sum of $10,000 or a rider of the same amount on the permittee's insurance policy, in favor of the city as obligee conditioned to guarantee payment to the city for any damage that may result to city streets or other public improvements or trees and overhanging wires caused by the moving of such building.

C. The application, along with comments from the building division and the public works division, shall then be reviewed by the city planning division and processed through the design review process to determine whether the architectural and general appearance of the building or structure, as relocated, will improve the character of the neighborhood and such as not to be detrimental to the orderly and harmonious development of the city nor to impair the desirability of investment or occupation in the neighborhood.

D. The building division shall not issue a relocation permit unless the design review process is complete.

E. Removal and relocation of a building pursuant to a relocation permit must be completed within 60 days from the issuance of the permit.

F. Within 10 days after the completion of the moving of any building within the city, the city shall cause an inspection to be made by the public works director of the route taken in the moving of such building to ascertain the damage, if any, to all streets or other public improvements or trees and overhanging wires and property, of any nature whatsoever within the city, and the building official shall present to the permittee a claim in the amount necessary to repair such damage, if any. Thereupon, the permittee shall cause such claim to be paid or, in the event of a failure or refusal to pay such claim, the bond heretofore filed shall be forfeited in the amount necessary to pay such claim and if any amount of damage insured shall exceed the penal amount of such bond, such deficiency shall be paid by the permittee to the city without further demand therefor. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-4)

6.15.050 Moving of buildings and structures – Building permit required.

No person shall move any building from one location in or outside the city to another location within the city unless a building permit has been first obtained to permanently install such building or structure in its new location. Such

building permit shall be required in addition to a relocation permit. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-5)

6.15.060 Drainage requirements for building construction, etc.

A. It is the purpose of this section to safeguard adjoining properties and public streets and ways from damage by unnatural flows of surface waters and to prevent the construction of homes and other buildings in areas likely to become flooded.

B. This section applies to all persons engaged in construction within the city, whether as owner, lessee, contractor, or otherwise.

C. No building permit shall be issued for any new construction or any additions or remodeling resulting in new structures at or below ground level unless this section shall have been complied with.

D. Every building permit application for new construction or any additions or remodeling resulting in new structures at or below ground level other than single-family or duplex structures shall be accompanied by the following information and documents, in addition to those otherwise required by this chapter:

1. A grading plan, showing the present contours of the land, the proposed final grade and location of improvements.

2. Profile sections at the rear, middle and front of the property, showing existing contours, the proposed final grade and the location of improvements.

3. Details of drainage structures, walls, cribbing, surface protection and landscaping.

E. No building permit shall be issued if the drainage information required by this section reveals any of the following facts:

1. Drainage from the property after construction will apparently result in physical damage directly or indirectly to another lot or to any public street or public property.

2. Natural drainage from the property will be changed to the detriment of surrounding property.

3. The first floor level of any improvement will be in danger of flooding from surface runoff. Permits, however, may be issued when foundations are raised above the flooding level as determined by the city.

In those instances where existing structures that are located in floodplains, as defined by the flood insurance rate map (FIRM), are reconstructed or have substantial improvements done to them (over 50 percent of replacement costs prior to damage having occurred), permits may be issued provided the lowest floor elevation is raised one foot above the defined 100-year floodplain per applicable FEMA requirements.

F. A grading plan may be required by the building division for single-family or duplex structures where an on-site inspection indicates that any fact mentioned in subsection (E) of this section may exist.

G. The building official, with the concurrence of the city engineer, may waive any or all of the requirements of subsection (D) of this section whenever an on-site inspection satisfies such officers that the facts described in subsection (E) of this section do not exist or that the requirements in question would not reveal any such facts. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-6)

6.15.070 Electrical power for construction purposes.

Temporary electric power for construction can be provided by a temporary power pole that complies with the requirements of the California Electric Code and Liberty Utilities Company specifications. Or, temporary power can be arranged from the permanent main service panel using the permanent grounding electrode. The main service panel shall be framed into the permanent wall section of the structure. This wall section shall have a shear panel on it and be braced to the satisfaction of the jurisdiction. There can be a maximum of two quadruple ground faulted outlet locations. The wiring to each location shall be in conduit. Any connection of power to the building's

permanent outlet wiring prior to authorization by the building division will result in a disconnect order to the providing utility.

Prior to any reconnection of electric to the site of a disconnect order, penalty fees in accordance with SLTCC 6.15.080 shall be paid.

Prior to energizing the permanent outlet wiring from the main panel, all nail or screw-applied wall finishes must be completed; all electric work for the permanent circuits to be energized must be completed; and the building must be able to be secured against entry by unauthorized persons. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.1)

6.15.080 Penalties.

It shall be unlawful for any person, firm, or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, or demolish, equip, use, connect electric power or gas, occupy or maintain any building or structure in the city, or cause or permit the same to be done, contrary to or in violation of any of the provisions of this code.

Any person, firm, or corporation violating any of the provisions of the code shall be deemed guilty of an infraction. Penalties for a violation of this chapter shall be as outlined in Chapter 2.30 SLTCC for each and every subsequent offense. Each separate day or any portion thereof, during which any violation of this code occurs or continues, shall be deemed to constitute a separate offense. The issuance or granting of a permit or approval of plans and specifications shall not be deemed or construed to be a permit for, or an approval of, any violation of any of the provisions of this code. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.2)

6.15.090 Jobsite sanitary facilities.

Temporary sanitation facilities shall be provided on all construction sites. Failure to maintain such facilities will result in a stop work order until such facilities are provided.

Exception: Remodels which contain an operable on-site toilet facility. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.3)

6.15.100 Construction site requirements.

A. All trash, temporary BMP elements related to construction, site security elements, and construction debris shall be disposed of in an approved manner on a regular basis. Prior to any final inspection, all construction trash and debris shall be removed from the site. No debris or construction materials may be stored in the public right-of-way.

B. Building permit must be posted in public view and visible from street or closest possible to passersby.

C. Construction site must have address posted at all times.

D. Approved construction documents must be on site at all times.

E. Access to areas must be provided to inspector at his or her request.

F. All construction activities that include impact equipment and activities such as pile driving, soil compaction, or vibratory hammers could potentially affect nearby structures. Where these activities occur within 200 feet of existing structures, an analysis shall be conducted of potential vibration levels based on the criteria contained in Table 436-12 of the City General Plan Update EIR (September 2010). Construction operations shall be designed to avoid or mitigate for vibrations above 0.02 inches/second (0.5 mm/second).

G. All required exits, existing structural elements, fire protection devices and sanitary safeguards shall be maintained at all times during alterations, repairs, or additions to any building or structure.

H. Fire safety during construction shall comply with the applicable requirements of this code and the applicable provisions of the California Building Code and Chapter 33 of the California Fire Code.

I. All construction activities shall be performed in a manner that prevents injury or damage to persons, adjoining properties and public rights-of-way. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.4)

6.15.110 Criteria for prevention of flood damage.

Prior to the issuance of any building permit for new construction or substantial improvements, the building official, after such consultation as the building official deems necessary with the city engineer, shall:

A. Review the application to determine whether the proposed building site will be reasonably safe from flooding. If a proposed building site is in a location that has a flood hazard, the proposed new construction or substantial improvement, including prefabricated and mobile homes, shall:

1. Be designed or modified and anchored to prevent flotation, collapse or lateral movement of the structure.

2. Be constructed of materials and utility equipment that are resistant to flood damage.

3. Be the result of construction methods and practices that will minimize flood damage.

4. Comply with all FEMA requirements for buildings constructed within a designated floodplain.

B. Require new or replacement water supply systems or sanitary sewage systems to be designed to minimize or eliminate infiltration of flood waters into the systems and discharges from the systems into flood waters. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-8)

6.15.120 Liability of city.

The building official or any employee, within the course and scope of his or her employment, charged with the enforcement of this code, acting in good faith on behalf of the city, and without malice, shall not thereby be rendered liable personally and such person is hereby relieved from all personal liability for any damage that may accrue to persons or property as a result of any act required or by reason of any act or omission in the discharge of such person’s duties. Any suit brought against the building official or employee, because of such act or omission performed by such person in the enforcement of any provisions of the codes adopted in Articles I and II of this chapter, shall be defended by the city until final termination of the proceedings. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-9)

6.15.130 Severability.

If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed the ordinance codified in this chapter and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-10)

Article II. Technical Codes

Division 1. Generally

6.15.140 Where filed – Availability of codes.
One copy of each of the codes adopted by reference in Article I of this chapter is on file in the office of the building official for use and examination by the public. Ordering information for obtaining copies of such codes may be obtained at the city services center public counter. (Ord. 926; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-11)

6.15.150 Conflicts with state law.
Wherever the provisions of the state housing law (Division 13, Part 1.5, beginning with Section 17910 of the Health and Safety Code of the state) shall impose requirements more stringent than those established by this article, the provisions of the state housing law shall be applied by the building division. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-12)

Division 2. Local Amendments to Adopted Codes

6.15.155 Purpose.
The purpose of this division is to identify local amendments to the adopted codes, consistent with Health and Safety Code Section 17958 based on express findings relative to local climatic, topographical or geological conditions. (Ord. 1134 § 1 (Exh. A))

6.15.160 Amendments, additions and deletions to the adopted codes.
A. California Building Code Section 105.5.1, California Residential Code Section R105.5.1, California Plumbing Code Section 104.4.3.1, California Mechanical Code Section 104.4.3.1 and California Electrical Code Article 89, 108.4.1 are hereby amended to read as follows:

> Every permit issued by the building official under the provision of this code shall become invalid and expired unless the work authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 12 months after the time the work is commenced. The Building Official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.. In order to renew action on an invalid permit after expiration, the permittee shall pay a new full permit fee and be accompanied with updated construction documents to reflect compliance with the most recent applicable codes based on the new submittal date.

B. Any permittee holding an unexpired permit for a new structure or addition may apply for an extension of the time for which work may be completed under that permit when the permittee is unable to complete work within the time required by this section for good and satisfactory reasons. The building official may extend a permit for a period not exceeding 180 days on written request by the permittee. The written request shall be submitted to the building official prior to the expiration date of the original permit. The request for an extension of an existing permit shall show that circumstances beyond the control of the permittee have prevented completion of the work authorized by the permit. No permit may be extended more than three years cumulatively.

C. California Building Code Section 109.2, California Fire Code Section 106.2, California Residential Code Section R108.2., California Plumbing Code Section 104.5, California Mechanical Code Section 104.5 and California Electrical Code Article 80.19(H)(4) are hereby amended to read as follows:

> The fee for each permit shall be as set forth in this section and by city council resolution. The determination of value or valuation under any of the provisions of this code shall be made by

the building official/fire code official. The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued, as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems, and any other permanent equipment. Fees shall be determined by the valuation as shown for good construction on the valuation table as published annually in the November/December issue of Building Standards magazine. Values shall be 100 percent of the valuation given in the basic valuation table. Fees shall be adjusted on the first day of January each year. The fee shall be as specified through adoption of resolution by the city council.

EXCEPTION: Major projects for which the city contracts for inspection and/or plan review services shall be charged permit fees in accordance with the above section. Costs of additional plan review and/or overtime inspections required for project fast-tracking, or contractor scheduling, or due to changes in plans, shall be paid by the owner on a monthly basis. The fees shall be equal to the cost of service plus a 25 percent administrative fee.

The owner shall provide on-site office space for the resident inspector. Such office space shall be private and under the exclusive control of the resident inspector. Electric power, heat and phone service shall be provided to the office. Such office shall be maintained on-site until the final certificate of occupancy is issued.

For work requiring a permit not described on the valuation table, the valuation shall be determined by contract price for the work, subject to review by the building official.

The minimum permit fee under this section shall be as specified through adoption of resolution by the city council. Additional plan review as a result of incomplete submittals or changes to plans after approval of such plans will be charged a plan review fee.

A reinspection fee shall be charged for scheduled inspections when the work, for which an inspection was requested, is not ready for inspection. A reinspection fee shall also apply to additional inspections after the initial inspection for verifying correction of items noted in a correction notice.

Special inspection fees shall be charged with a one-hour minimum charge. Any inspections requested outside of regular work hours will be charged a three-hour minimum charge.

D. California Building Code Section 115.4, California Fire Code Section 107.4, California Residential Code Section R114.4are hereby amended to read as follows:

When a stop work order is issued an investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The permit fee for work without a permit shall be twice the normal permit fee. The payment of such investigation fee shall not exempt any person from compliance with all other provisions of this code nor from any penalty prescribed by law.

E. International Property Maintenance Code (IPMC) Section 107, Notices and Orders. Add the following text at the end of subsection 107.2, Item 4:

The maximum time limit shall be determined by the city building official based upon the condition of the structure and the potential hazard involved. Once such determination has been made, the building official shall serve a copy of a notice and order which specifies the dangerous condition to be remedied, together with the timeline for correction, as determined by the building official. Prior to the expiration date specified in the notice and order, the property owner shall perform either the rehabilitation, renovation or removal, as set forth in the notice and order.

Abatement of abandoned or substantially damaged non dwelling unit structures shall be subject to the provisions contained in Chapter 4.60 SLTCC.

F. Authority to Utilize Alternate Method of Recovery of Cost of Demolition. In any case where the city has found it necessary to undertake an abatement process to demolish a structure which has been found by the building official to be unsafe, as defined within Section 108 of the International Property Maintenance Code, the city may elect, at its discretion, to recover costs of such abatement using the methods prescribed in subsection (G) of this section as an alternative to the procedure outlined in Sections 110.3 and 109.4 et seq. of the aforementioned code.

G. Alternate Method of Recovery of Cost of Demolition.

1. Prior to commencement of any demolition activity undertaken as part of the abatement of an unsafe structure, the city shall take all necessary steps to ensure that all development rights which may be present on the parcel are appropriately banked with the Tahoe Regional Planning Agency and the South Tahoe Public Utility District. All such rights, which may include, but not be limited to, development rights, allocations, commercial square footage, hard and soft coverage rights, and sewer units, shall be banked to remain on the parcel upon which the demolition activity will be completed.

2. Upon completion of all demolition activities, an accounting of expenses shall be completed by the administrative services director and a public hearing to consider confirmation of the costs of the abatement shall be scheduled, noticed and conducted in accordance with Section 107 et seq. of the International Property Maintenance Code.

The notice mailed to the owner of record for the property which is the subject of the abatement process shall contain a statement which substantively reads as follows:

IMPORTANT NOTICE TO THE PROPERTY OWNER

Development rights attributable to your property and recognized by the Tahoe Regional Planning Agency have been banked with that agency. These rights have considerable value. In order to retain ownership of these development rights, you must pay any and all costs of the abatement process which may be confirmed by the City Council at the scheduled hearing no later than sixty-five (65) days following the date of said hearing.

Your failure to pay the confirmed costs of said abatement within sixty-five (65) days of the date of the hearing will result in FORFEITURE OF THE DEVELOPMENT RIGHTS ASSOCIATED WITH YOUR PROPERTY.

SUCH FORFEITURE MAY ULTIMATELY PROHIBIT YOU OR ANYONE IN THE FUTURE FROM REDEVELOPING YOUR PROPERTY.

3. Upon completion of the hearing process to confirm the costs of the abatement process, the owner of the property subject to the abatement shall have 65 days from the date of the hearing to pay all costs of the abatement which have been confirmed by the city council. In the event all costs are not paid within the specified time period, the city shall notify the Tahoe Regional Planning Agency of the city council's confirmation of costs of the abatement process and the failure of the property owner to pay said costs, and shall request that the Tahoe regional planning agency approve forfeiture of all development rights banked to be vested with the city of South Lake Tahoe. Such forfeiture and vesting shall become effective 21 days after such approval is granted.

H. Expedited Permit Process for Photovoltaic and Electric Vehicles. To California Building Code Section 107.3 the following subsection shall be added:

Expedited Permit Process for Small Residential Rooftop Systems Solar Systems and Electric Vehicle Charging Stations

Definitions. As used in this section:

“Electronic submittal” means the utilization of electronic e-mail or submittal of an application via the internet.

“Reasonable restrictions” on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits.

Restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance” means:

1. For water heater systems or solar swimming pool heating systems: an amount exceeding ten (10) percent of the cost of the system, but in no case more than one thousand dollars ($1,000.00) or decreasing the efficiency of the solar energy system by an amount exceeding ten (10) percent, as originally specified and proposed.

2. For photovoltaic systems: an amount not to exceed one thousand dollars ($1,000.00) over the system cost as originally specified and proposed, or a decrease in system efficiency of an amount exceeding ten (10) percent as originally specified and proposed.

“Small residential rooftop solar energy system” means all of the following:

1. A solar energy system that is no larger than ten (10) kilowatts alternating current nameplate rating or thirty (30) kilowatts thermal.

2. A solar energy system that conforms to all applicable State fire, structural, electrical, and other building codes as adopted or amended by the county and paragraph (iii) of subdivision (c) of Section 714 of the Civil Code, as such section or subdivision may be amended, renumbered, or designated from time to time.

3. A solar energy system that is installed on a single- or duplex-family dwelling.

4. A solar panel or module array that does not exceed the maximum legal building height as defined by the authority having jurisdiction.

“Solar energy system” has the same meaning set forth in paragraphs (1) and (2) of subdivision (a) of Section 801.5 of the Civil Code, as such section or subdivision may be amended, renumbered, or designated from time to time.

“Specific adverse impact” means a significant, quantifiable, direct, unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

a. All solar energy systems and electric vehicle charging stations shall meet applicable health and safety standards and requirements imposed by the state and the City of South Lake Tahoe.

b. All solar energy systems and electric vehicle charging stations shall be certified by an accredited listing agency.

c. All energy systems for producing and or supplying electricity shall meet all applicable safety and performance standards established by the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

d. Proof of approval by the Tahoe Regional Planning Agency must be presented with application.

e. Proof of approval by local utility must be presented with application.

I. Fire Watch. California Fire Code Section 403.11.1, Fire Watch Personnel, is hereby amended to read as follows:

When, in the opinion of the fire code official, it is essential for public safety in a place of assembly or any other occupancy, because of the number of persons, or the nature of the noncompliance with the California Fire Code and/or the nature of the performance, exhibition, display, contest or activity, the fire code official may require the owner, agent or lessee, to provide one or more fire watch personnel to perform fire watch duties during the times such places are open to the public, or when such activity requiring a fire watch is being conducted.

J. Building Address. Section 502.1 of the California Building Code, California Fire Code Section 505.1 and Section R319.1 of the California Residential Code are hereby amended to read as follows:

Approved numbers or addresses shall be provided for all new buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Address numbers and internal illumination shall be maintained. The addresses for new dwellings shall be posted with a minimum of four inch (4") high numbers with proportionate width that are plainly visible from the street. During hours of darkness, the numbers shall be internally illuminated. Posted numbers shall be placed on a contrasting background. Where building setbacks exceed one hundred feet (100') from the street or road fronting the property, additional contrasting six inch (6") high numbers shall be displayed at the property entrance. The addresses for new multi-family, new commercial and new industrial buildings shall be posted with a minimum of six-inch (6") high by three-quarters inch (3/4") stroke numbers. During the hours of darkness, the numbers shall be electrically illuminated. New multi-family, new commercial and new industrial buildings shall display address/suite numbers or letters six-inch (6") high by three-quarters inch (3/4") stroke placed on a contrasting background on the front and rear doors of each suite/unit.

K. Fire Access Grade. California Fire Code Section 503.2.7 is hereby amended to read as follows:

503.2.7 Grade. The grade of the fire apparatus access road shall be within the limits established by the fire code official based on the fire department’s apparatus. Where driveways serving one- and two- family dwelling units have a driveway gradient exceeding eight percent (8%), a separate emergency egress path of travel from the primary entrance of each dwelling unit to the public way shall be provided. All components of the separate emergency egress path of travel shall comply with all applicable provisions of the California Building Code.

L. Wildland-Urban Interface (WUI). California Building Code Chapter 7A, California Fire Code Chapter 49 and California Residential Code Section R337 are adopted in their entirety with the amendments to read as follows:

CITY OF SOUTH LAKE TAHOE IS DESIGNATED AS VERY-HIGH FIRE HAZARD SEVERITY ZONE. For purposes of clarification and enforcement of the following shall be added to each chapter preface: The City of South Lake Tahoe has adopted Ordinance 2019-1131 which designates all areas within the City of South Lake Tahoe a Very High Fire Severity Zone.

M. Freeze Protection. California Building Code and California Fire Code Section 903 are hereby added to the California Building Code and the California Fire Code to read as follows:

All sprinkler systems shall be suitably freeze-protected for climatic conditions as prescribed by the fire code official.

N. Roof Fire Rating. California Building Code Section 1505.1.1 and California Residential Code Section R902.1.1 are written here for emphasis and clarity:

The entire roof covering of every existing structure where more than 50 percent of the total roof area is replaced within any one-year period, the entire roof covering of every new structure, and any roof covering applied in the alteration, repair or replacement of the roof of every existing structure, shall be a fire-retardant roof covering that is at least Class A.

O. Snowshed Impact Areas. Add to California Building Code Section 1608.1 and to California Residential Code Section R301.2.3:

Snow shed Impact Areas Protection of Required Entries/Exits, Parking, and Driveways.

1. Roof surfaces and photovoltaic panels that are susceptible to rooftop avalanche risk shall be designed so that snow shed impact areas will not occur in or on entries/exits (required exits only for R-3 occupancies), vehicle parking areas, driveways, LPG storage tanks, gas meters, electrical meters, walkways, and public ways.

2. The minimum snow shed impact area shall have a setback of ten feet measured horizontally from a vertical line projecting from the roof eave to the other constructed elements such as fences, sheds, and patio covers.

3. The snow shed impact area may be eliminated provided an engineered snow restraint system, designed in accordance with this code, is incorporated into the roof design and, in other than R-3 occupancies, an approved roof drainage system (e.g., heated gutter and downspout) is installed to prevent ice formation/accumulation at the grade or access level.

4. Property owners shall maintain snow shed impact areas to prevent snow from encroaching beyond the impact area boundaries.

5. Existing structures may use engineered snow slide restraint devices without an approved roof drainage system to reduce hazards associated with the existing roof design.

P. Ice Dam Membrane. Add Section 1507.1.2 to the California Building Code and Section R9045.1.2 to the California Residential Code as follows:

Title 15-10: An “Ice Guard” is required on roofs of heated areas of buildings. Roofs, regardless of covering, with a pitch of less than 8 in 12 shall be protected against leakage (caused by ice and snow) using an approved manufactured membrane installed per the manufacturer’s specifications and as approved by the building official. This application shall extend from the eave edge of the roof up the roof slope measured 5 feet beyond the wall line separating the conditioned and unconditioned space, and up 30 inches along each side of a valley. This “Ice Guard” shall be in addition to any other required underlayment.

Q. Local Design Criteria. Amend California Building Code Section 1603 and California Residential Code Table R301.2, Climatic and Geographic Design Criteria, by adding the following design criteria values as listed below in items 1 through 8 to read as follows:

1. Ground Snow Load: 150 PSF

2. Wind Design Speed: (Based on the ASCE 7-10 code cycle)

Risk Category 1: 110 mph

Risk Category 2: 120 mph

Risk Category 3: 130 mph

Risk Category 4: 130 mph

3. Seismic Design Category: D

4. Subject to Weathering from Weathering: Negligible

5. Frost Line Depth: 18 inches

6. Termites: Yes

7. Climate Zone: 16

8. Ice Barrier Underlayment Required: Yes

R. Snow Loads. Add Section 1608.4 to the California Building Code and Section R301.2.3.1 to the California Residential Code as follows:

All of the City of South Lake Tahoe shall be declared a snow area with a Ground Snow Load of 150 Pounds Per Square Foot. This pertains to all structures, modular buildings, and factory-built houses. The building official may permit deviations from the snow loading standard, provided the snow load and conditions in each individual case are derived and certified by a registered civil or structural engineer with demonstrated experience in snow load evaluation.

S. Protection of Piping from Freezing. Add Section 312.13 to the California Plumbing Code as follows:

a. All water supply piping shall be protected from freezing by a minimum of 42 inches of earth covering.

b. All water piping shall be installed in such a manner to allow for the system to be drained.

c. Water piping shall not be installed or concealed in unheated walls, ceilings and attics.

T. Exhaust Vent Protection. Add Section 802.3.3.5 to the California Mechanical Code as follows:

a. Exhaust terminals and combustion air intakes shall not be located in areas in which could be sealed off around the perimeter with snow accumulation.

U. Electrical Installations. Add Article 80.13(a) and (b) to the California Electric Code as follows:

a. All electrical systems that are over 400 amps shall be designed by a California-licensed electrical engineer.

b. When changing out or adding a new electrical main panel, the subpanel, if so equipped, shall also be changed out to a breaker subpanel. No residential fuse panels will be allowed.

(Ord. 891 § 1; Ord. 901; Ord. 926; Ord. 983 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-14. Formerly 6.15.170)

Article III. Underground Utilities

6.15.170 Definitions.

For the purpose of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section:

“Communication service” means the transmission of intelligence by electrical means, including, but not limited to, telephone, telegraph, messenger call, clock, police, fire alarm and traffic control circuits and circuits for the transmission of standard television or radio signals.

“Electrical service” means the distribution of electricity for heat, light or power. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-34. Formerly 6.15.490)

6.15.180 Service required – New buildings.
It shall be a condition of permits issued for the construction of new homes and other buildings which will require electrical or communications services provided by cables and wires that facilities necessary to receive utility cables and wires be installed underground by the permittee from the building to the service point to be determined by the utility company.

If the serving utility pole is located on the same side of the street as, and between, the extended side lot lines of the property involved, the utility service shall thereafter be connected underground.

If the serving utility pole is located elsewhere, underground connection of the utility service shall be made at the time the aerial lead of the serving utility is removed and replaced by an underground lead. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-35. Formerly 6.15.500)

6.15.190 Service required – Remodeling or repairs.
It shall be a condition of any permit for the repair or remodeling of a building or sign requiring communication service or electric service, which repair or remodeling shall be in an amount exceeding 50 percent of the market value of the property, as determined by applying the last available assessment ratio to the last available assessment by the county assessor, that facilities necessary to receive such services be placed underground from the building to the serving point designated by the utility company.

If the serving utility pole is located on the same side of the street as and between the extended side lot lines of the property involved, the utility service shall be connected underground upon the completion of the work authorized by the building permit.

If the serving utility pole is located elsewhere, the utility service shall be connected underground at the time the serving utility aerial lead is removed and replaced with an underground lead. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-36. Formerly 6.15.510)

6.15.200 Exemptions from article.
The provisions of SLTCC 6.15.180 and 6.15.190 shall not apply to the following types of facilities and situations:

A. Poles without overhead lines used exclusively for fire or police alarm boxes, lighting purposes or traffic control.

B. Overhead wires attached to the exterior surface of a building by means of a bracket or other fixture and extending from one location on the building to another location on the same building.

C. Radio antennas, their associated equipment and supporting structures, used by a utility or person for furnishing communication services.

D. Equipment appurtenant to underground facilities, such as surface-mounted transformers, pedestal-mounted terminal boxes and meter cabinets and concealed ducts. Such facilities shall be so located as to harmonize with the area or screened and landscaped. The city council may, after hearing with the utility companies and affected property owners, by resolution, require that all or part of the transformers and service terminals be flush with or below the surface of the ground at the point of installation.

E. Where the city engineer expressly finds that topographical or soil conditions make such application unreasonable or impractical.

F. Where the city engineer, upon application of the applicant for a building permit, expressly finds that application of such sections cannot be accomplished feasibly and practically within pertinent safety regulations and other laws applying to the installation and that such application will cause unnecessary or unusual hardship. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-37. Formerly 6.15.520)

Article IV. Numbering of Buildings

6.15.210 Adoption by reference of building number maps.
There is hereby adopted a building number index map and sectional building number district maps which are on file with the building division of the city and are made part of this article by reference. Maps showing the streets

hereafter constructed within the city or streets in areas hereafter annexed to the city shall be added to such map from time to time and the building numbers shall be indicated thereon and, upon filing with the building division, such maps shall constitute a part of the building number maps. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-38. Formerly 6.15.530)

6.15.220 Designation of numbers by building official.
It shall be the duty of the building official to designate and assign the respective numbers for buildings fronting on streets as set forth upon the building number map or as determined by the building official. (Ord. 983 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-39. Formerly 6.15.540)

6.15.230 Numbers to be affixed to buildings – Manner of affixing numbers.
It shall be the responsibility of the owners or occupants to affix the property numbers to their respective buildings in any style or device; provided, that each figure of a number shall be plainly visible and legible from the public way. The main entrance to commercial buildings shall be numbered such that the numbers are plainly visible from the street fronting the property. All entrances to residential buildings from the public streets of the city shall be numbered, either on the street fronting the property, or as designated by the building official. The number of every entrance shall be placed upon, immediately above, or immediately adjacent to the door or gate closing of such entrance. Multi-unit buildings shall also have each unit numbered with an individual unit number placed upon, immediately above, or immediately adjacent to the door of each unit. Building numbers shall be a minimum of four inches in height, and of a contrasting color to that of the background on which they are placed. On newly constructed and/or altered buildings where building setbacks exceed 100 feet from the street or road fronting the property, additional contrasting six-inch-high numbers shall be displayed at the property entrance. The addresses for new multifamily, new commercial and new industrial buildings shall be display address/suite numbers with a minimum of six-inch-high by three-quarters-inch stroke numbers and placed on a contrasting background on the front and rear doors of each suite/unit. (Ord. 946 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-40. Formerly 6.15.550)

6.15.240 Responsibility for placing of numbers.
The appropriate number of any entrance to any building shall be placed thereon within five days after the receipt by the owner, occupant, lessee, tenant or subtenant of the building of a notice from the building official of the number designated for such building; and all numbers other than the numbers provided for in this chapter for the respective entrances shall be removed from every building by the owners, occupants, lessees, tenants or subtenants thereof, within five days from the service of the notice, designating the appropriate numbers to be placed thereon. It shall be the duty of the building official upon request from any owner, occupant, lessee, tenant or subtenant of the building to provide such owner, occupant, lessee, tenant or subtenant the proper building number of the building occupied by such person. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-41. Formerly 6.15.560)

6.15.250 Display of number – Prerequisite to issuance of business license.
No business license shall be issued to any person unless such person shall certify that the premises upon which such business is conducted are numbered in the manner required by this article and that the building numbers are displayed in the manner provided in this article. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-42. Formerly 6.15.570)

Article V. Board of Appeals

6.15.580 Established.
This section establishes the building board of appeals. The functions of the building board of appeals shall be set forth by resolution of the city council. (Ord. 884 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-43)

Article VI. Underground Storage Tanks

6.15.590 Removal/replacement of underground storage tank.
Any removal or replacement of an underground storage tank on property visible from Highways 50 or 89, or both, is required to obtain a demolition permit from the city prior to such removal or replacement. The demolition permit and inspections are proposed to impose a minimum of the following:

A. If the area is to be fenced:

1. Fence will only encompass excavation area;

2. Fence shall conform with existing city fence ordinance, except:

a. Fence will be constructed only of wood unless finding can be made by staff that chain link fencing is necessary for security purposes,

b. Staff may allow encroachment into required street/side yard setbacks if determined necessary.

B. In addition to all of the above, the following standards will also be imposed:

1. Building will be secured (windows, doors and other openings) through the use of plywood or other material to match exterior. The plywood will be painted to match the building exterior;

2. If tank is being removed and not replaced, island overhang will be removed prior to, or simultaneously with, tank removal (see SLTCC 6.10.460, Service station change of use – Conditions).

C. If on-site or in-place aeration is proposed to treat contaminated soil, aeration plan is subject to city staff review as part of the demolition permit to ensure appropriate screening of equipment, machinery and aeration pile.

D. All other usual and customary requirements of a demolition permit will also be imposed.

E. Stations which remain fenced or secured and inoperative and/or in a dilapidated or unsightly condition in excess of 180 days will be declared by staff as abandoned and/or a nuisance affecting the visual and aesthetic health and welfare, and as such, subject to nuisance abatement proceedings contained in Chapter 4.40 SLTCC, Article II. If due diligence can be documented, an extension not to exceed an additional 180 days may be granted. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-49)

Article VII. Construction and Demolition Debris Recycling

6.15.600 Title/purpose.

This article shall be known as the “construction and demolition debris recycling ordinance.” The purpose of this article is to achieve reduction and/or recycling of debris generated by projects, thereby diverting the debris from disposal facilities, saving landfill space, and conserving natural resources consistent with the goals of Section 40000 et seq. of the Public Resources Code. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.1)

6.15.610 Definitions.

Except where the context or particular provisions require otherwise, the following definitions shall govern the construction of this article:

A. “Building official” means the building official of the building department or his/her authorized representative.

B. “Construction and demolition debris” means solid waste generated by or resulting from construction or demolition-related activities including, but not limited to, building, construction, deconstruction, demolition, excavation, grading, improvement, land clearing, reconstruction, remodeling, and renovation.

C. “Debris recycling acknowledgment” means a written statement signed by the permittee, in the form prescribed by the building official, to acknowledge the actions planned to be taken or administered by or on behalf of the permittee to achieve reduction or recycling of, at minimum, 50 percent by weight of debris resulting from a project. This minimum 50 percent reduction or recycling may be increased by the building official to reflect any such higher percentage that may hereafter be mandated by state law.

D. “Debris recycling report” means a written summary signed by the permittee, in the form prescribed by the building official, for reporting the amount of debris reduced and/or recycled for a project and the amount of debris from that project disposed of at a disposal facility.

E. “Performance security” means any performance bond, surety bond, letter of credit, or certificate of deposit submitted to the city pursuant to SLTCC 6.15.650.

F. “Permit” means a permit other than a grading permit issued by the building department for construction or demolition-related activities including, but not limited to, building, construction, deconstruction, demolition, excavation, grading, improvement, land clearing, reconstruction, remodeling and renovation.

G. “Permittee” means any individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any entity or person whatsoever that applies for a permit.

H. “Project” means any activity which occurs within the incorporated areas of the city that either (1) requires a permit that specifies any demolition work or activity that exceeds 5,000 square feet in area, or (2) requires a permit that authorizes construction-related activities including, but not limited to, building, construction, excavation, grading, improvement, land clearing, reconstruction, remodeling, and renovation for improvements that exceed 5,000 square feet in area. One single development of multiple residential units, multiple commercial units, or multiple industrial units within any subdivided parcel will be considered as a single project regardless of the number of permits required for the development. The provisions of this article shall not apply to single-family and/or two-family residential units and associated accessory structures that are not part of a multiple-unit subdivision or development. Projects that directly result from emergency demolitions to protect public health or safety are excluded from the definition of “project.”

I. “Recycle” or “recycling” means the process of collecting, sorting, cleaning, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream, as defined in Section 40180 of the Public Resources Code.

J. “Recycling facility” means a facility that collects specific types of construction and demolition debris for reuse or recycling. Recycling facilities are identified in the California Integrated Waste Management Board’s C&D Recyclers Database (available on the worldwide web at http://www.ciwmb.ca.gov/ConDemo/Recyclers/).

K. “Reduce” or “reduction” means any action that causes a net reduction in the generation of solid waste, as further defined by Section 40196 of the Public Resources Code.

L. “Solid waste” means all putrescible and nonputrescible solid, semisolid, and liquid wastes, as further defined in Section 40191 of the Public Resources Code.

M. “Solid waste landfill” means a disposal facility that accepts solid waste for land disposal, as further defined by Section 40195.1 of the Public Resources Code. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.2)

6.15.620 Findings.

A. The city finds that the state of California, through its California Waste Management Act of 1989, Assembly Bill 939 (AB 939), requires that each local jurisdiction in the state divert 50 percent of discarded materials from the landfill by December 31, 2000.

B. The city finds that every city and county in California, including the city of South Lake Tahoe, could face fines up to $10,000 a day for not meeting the above mandated goal.

C. The city finds that reusing and recycling construction and demolition debris is essential to further the city’s efforts to reduce waste and comply with AB 939.

D. The city finds that construction and demolition debris waste reduction and recycling have been proven to reduce the amount of such material that is landfilled.

E. The city finds that, except in unusual circumstances, it is feasible to divert an average of at least 50 percent of all construction and demolition debris from construction, demolition, and renovation projects.

F. The city finds that, to ensure compliance with this article without creating a competitive disadvantage, it is necessary to impose a performance security requirement. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.3)

6.15.630 Threshold applicability.

As further defined in SLTCC 6.15.610(H), this article applies to demolition and construction projects within the city of South Lake Tahoe in which the footprint of the structure exceeds 5,000 square feet in area. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.4)

6.15.640 Requirements.

A. All permittees for projects as defined by this article and within the incorporated areas of the city shall submit a debris recycling acknowledgment to the building official for review and approval at the time of submitting an application for a permit.

B. If set forth by resolution of the city council, the permittee shall pay a nonrefundable administrative fee sufficient to compensate the city for all expenses incurred in administering this article.

C. No permit will be issued by the building official for a project unless and until the building official has approved the debris recycling acknowledgment and, if applicable, the performance security and administrative fee have been submitted.

D. Within 60 days after the final and/or occupancy approval of the project by the building official, the permittee shall submit a debris recycling report to the building official for the building official's approval.

E. The building official shall approve the debris recycling report only if the report validates that the permittee either reduced or recycled at minimum 50 percent by weight of the total debris generated by the project. Upon approval of the debris recycling report, the full performance security, if applicable, shall be released to the permittee within 10 business days.

F. In the event that a permittee fails to submit an approved debris recycling report within two years of the date of the current debris recycling acknowledgment, the permittee shall thereafter be required to submit with the debris recycling acknowledgment a performance security. The amount of the performance security shall be calculated as the lesser of three percent of the total project cost calculated by the building official or $10,000. Acceptable forms of performance security include the following: performance bonds, surety bonds, letters of credit, and certificates of deposit.

G. Noncompliance shall be defined as failure to meet the requirements of this article. Specifically, noncompliance means (1) failure to submit a debris recycling acknowledgment pursuant to this article, (2) failure by the permittee to achieve reduction or recycling of a minimum of 50 percent by weight of debris resulting from the project, except as provided in subsection (H) of this section, and/or (3) failure by a permittee to submit a debris recycling report within 60 days of final and/or occupancy approval of the project by the building official. Permittees determined by the building official to be noncompliant will be subject to forfeiture of the performance security, if applicable, in its entirety. Performance security deposits forfeited to the city shall be used only for the cost of programs whose purpose is to divert the city's solid waste from landfill disposal. Any person violating any provision of this article is guilty of an infraction and upon conviction shall be punished by a fine not to exceed the value of twice the performance security for a project.

H. If the building official determines upon review of the debris recycling report that the permittee has not achieved reduction or recycling of a minimum of 50 percent by weight of debris resulting from the project, then the building official shall determine if the permittee has made a good faith effort to comply with this article. In making this determination, the building official shall consider the documented efforts of the permittee to reduce and/or recycle debris, the availability of markets for the debris disposed, the size of the project, and any circumstance beyond the control of the permittee. If the building official determines that the permittee has made a good faith effort to comply with this article, then the full performance security, if applicable, shall be released to the permittee. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.5)

6.15.650 Standards, guidelines, and criteria.
The building official may establish and/or adopt standards, guidelines, and criteria consistent with this article and reasonably necessary to achieve the objectives of this article. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.6)

6.15.660 Inspections.
The building official may make such inspections as he/she may deem necessary to determine permittee's compliance with this article. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.7)

6.15.670 Severability.
If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this article or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this article or any part thereof. The city council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this article irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this article are declared to be severable. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.8)

Article VIII. Single Room Occupancy (SRO) Program

6.15.675 Purpose.*
The purpose of this article is to address the shortage of decent, safe, sanitary and affordable rental housing options for low-income persons in the city. Hotels have historically provided affordable rental options of last resort for low-income persons. This article enables hotels to rehabilitate units that do not meet minimum building, housing and property maintenance code standards so as to provide safe, habitable rental units for low-income persons. This article establishes development, design and maintenance standards so as to preserve and enhance the quality of life for residents of the city living within such units. (Ord. 1088 § 1 (Exh. B))

*Code reviser's note: Ordinance 1088 adds the provisions of this section as Section 6.15.670. The section has been editorially renumbered to prevent duplication of numbering.

6.15.680 Definitions.
"Habitable floor area" includes living rooms, bedrooms, entryways and other common areas, but does not include bathrooms, kitchens, storage spaces or mechanical/electrical areas.

"Lodging property" includes hotels, motels, bed and breakfasts, lodging houses, lodging facilities, or similar properties.

"Single room occupancy property" or "SRO property" means any building with one or more rooms which are (1) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for sleeping purposes by tenants, which is or may be the primary residence of such tenants, or (2) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for periods greater than 29 days.

"SRO unit" means any room, rooms, or units of a lodging property used for SRO property purposes.

"Transient lodging" is the use of a lodging property by guests of such lodging property who stay, sleep and/or occupy any rooms within said lodging property for 29 days or less. (Ord. 1088 § 1 (Exh. B))

6.15.690 Application.
This article applies to lodging properties with at least one SRO unit and does not apply to lodging properties used entirely for transient lodging purposes. Pursuant to this article, all lodging properties are either required to obtain a South Lake Tahoe SRO permit or pay the South Lake Tahoe transient occupancy tax ("TOT") based upon all gross receipts and monies collected for the letting of rooms within said lodging property. (Ord. 1088 § 1 (Exh. B))

6.15.700 Transient occupancy tax.
SRO units shall be exempt from TOT except that SRO units subject to this article but in use as transient lodging are subject to South Lake Tahoe TOT and shall comply with all TOT reporting requirements as set forth in the South Lake Tahoe City Code. (Ord. 1088 § 1 (Exh. B))

6.15.710 SRO permits.
A. All lodging properties with SRO units shall obtain from the city of South Lake Tahoe development services department a South Lake Tahoe SRO permit (SRO permit).

B. SRO permits shall be obtained prior to use of any room, rooms or units of lodging properties for SRO purposes.

C. Lodging properties with SRO units existing upon the effective date of the ordinance codified in this article shall have until 30 days after the effective date of the ordinance codified in this article to submit a completed SRO permit application. Lodging properties without existing SRO units upon the effective date of the ordinance codified in this article may apply for an SRO permit at any time, but no less than 30 days prior to letting SRO units.

D. Permit applications shall include the following properly completed forms and materials:

1. South Lake Tahoe SRO permit application which shall include a development design and maintenance plan.

2. Proof that lodging property is in compliance with its business and professions tax and TOT obligations.

E. SRO permits shall provide a 12-month period within which permittees may complete all development, design and maintenance standards required by this article. The building official or his or her designee (referred to herein as the building official) may grant extensions to this 12-month period where he/she deems such extensions appropriate. (Ord. 1088 § 1 (Exh. B))

6.15.720 Fees.
A. SRO Permit Fee. A one-time fee in an amount set forth by separate resolution of the city council shall be required for the submission of all SRO permit applications.

B. SRO Annual Service Fee. An annual fee in an amount set forth by separate resolution of the city council shall be assessed for all SRO rooms. This annual service fee shall cover the operational costs of the periodic SRO health and safety inspections as set forth more fully in SLTCC 6.15.750. The annual service fee shall be collected at the same time as payment of the lodging property's business and professions tax. Should the lodging property fail to timely pay its annual service fee, the city shall be permitted to recover it, plus accrued interest and penalties, utilizing any and all remedies provided by law including but not limited to nuisance abatement and municipal tax lien. Failure to pay the annual service fee shall be deemed a violation of this article.

C. Reinspection Fee. Upon any inspection of a lodging property subject to this article, the building official may instruct the owner of the lodging property to perform work, take action, or refrain from action to meet the development, design, and maintenance standards set forth in this article and by other applicable laws. If the building official determines that such work, action, or inaction has not been accomplished, the lodging property shall be assessed a reinspection fee in an amount set forth by separate resolution of the city council. Should the lodging property fail to timely pay said re-inspection fee, the city shall be permitted to recover it, plus accrued interest and penalties, utilizing any and all remedies provided by law including but not limited to nuisance abatement and municipal tax lien. Failure to pay the reinspection fee shall be deemed a violation of this article. (Ord. 1088 § 1 (Exh. B))

6.15.730 Design and development standards.
SRO properties shall meet the following design standards:

A. SRO Units.

1. Designation. SRO property owner shall designate specific rooms as SRO units. Said designation cannot change without an amendment to SRO property's SRO permit.

2. Bathroom. Shall contain a bathroom facility, with a door for privacy, a lavatory (sink), toilet and bathtub or shower.

3. Efficiency Kitchen. Efficiency kitchen facilities shall exist in each SRO unit that does not have access to a common kitchen (as set forth in subsection (B)(1) of this section). Kitchens shall contain:

a) A refrigerator with freezer.

b) A two burner stove and/or cook top and/or microwave.

c) A kitchen or bar sink.

d) Countertop space of at least 30 inches.

e) Sufficient electrical capacity to accommodate such facilities.

4. Habitable Floor Area.

a) For a single occupant a minimum habitable floor area of 120 square feet.

b) For two occupants a minimum habitable floor area of 170 square feet.

c) For three occupants a minimum habitable floor area of 220 square feet.

d) For four occupants a minimum habitable floor area of 270 square feet.

e) The permissible number of room occupants shall be capped at no more than four persons.

5. Exterior Doors. Exterior doors of SRO units shall meet standards for exterior door rating.

B. SRO Properties.

1. Common Kitchen Facilities. Shared kitchen space shall exist to serve all SRO units that do not possess a kitchen. Common kitchens shall contain:

a) A full size range with four stove burners and an oven.

b) A full size refrigerator with freezer for every six SRO units.

c) A full size microwave oven.

d) A full size kitchen sink with garbage disposal.

e) At least 10 feet of countertop space for food preparation.

f) Lockable storage cabinets a minimum of two by two by two feet for each SRO unit that does not possess independent kitchen facilities.

2. Trash Enclosure. An SRO property shall provide a three-sided trash enclosure or solid screening of the dumpster from public view.

3. Sewage. All sewer units shall be verified and/or permitted by South Tahoe public utility district or the appropriate provider.

4. Electrical. All SRO properties shall meet electrical service requirements that comply with all applicable laws and are subject to approval of the building official.

5. ADA Compliance. All SRO properties that make alterations or additions shall comply with the California Building Code, Section 11 B-202, Existing Building and Facilities, and Section 11 B-224, Transient Lodging and Guestrooms.

C. Signage.

1. Proof of SRO permit shall be placed in a conspicuous place in the lobby or other common area of the lodging property such as a laundry room.

2. All SRO units must have an exterior placard containing the following information:

a) Statement that room or unit has been designated as an SRO unit.

b) Name of hotel/motel.

c) Address of hotel/motel.

d) Room number.

e) Approved number of occupants.

f) Contact information of city building department to which complaints may be directed.

D. SROs shall meet all other building requirements for residential building units as set forth in the South Lake Tahoe City Code and all other applicable laws. (Ord. 1088 § 1 (Exh. B))

6.15.740 Maintenance standards.

In order to avoid a substantial risk to health and safety, affected residential rental dwellings shall meet the following interior/exterior and site maintenance standards:

A. All parking areas shall be well maintained, including striping and landscaping.

B. All landscaped and non-landscaped areas shall be in compliance with standards set forth in the SLTCC or other applicable laws.

C. Common kitchen areas shall be kept clean and well maintained. (Ord. 1088 § 1 (Exh. B))

6.15.750 Inspections.

A. Inspections. The building official may inspect all permitted SRO properties and SRO units to determine whether such facilities and units comply with conditions of approval and all other applicable laws. Inspections may be performed annually, or more frequently where the building official determines that the SRO property or SRO unit poses a substantial risk to health and safety or violations of this article exist.

B. Inspection Standards. When inspections are made, SRO properties and SRO units shall be required to be in conformance with the standards in effect at the time the facility or unit was permitted, as well as any additional standards mandated by law.

C. Notification and Access.

1. A letter of intent to inspect an SRO property shall be mailed and emailed, when possible, to the owner of the SRO property stating the date and time of inspection and shall provide 14 days' notice of said inspection. An inspection checklist will be mailed with the letter.

2. It shall be the responsibility of the SRO property owner to notify the tenants, residents and inhabitants of the inspection. The city shall be ensured access to all SRO units and shared facilities throughout the inspection.

3. In the event an owner or tenant in possession of the property to be inspected refuses access to said property, the city attorney or district attorney is authorized to obtain from a court of competent jurisdiction any warrant necessary to cause the inspection to take place.

D. Voluntary Inspections. Nothing herein shall prevent an owner of a lodging property or a tenant, resident or inhabitant from requesting an inspection at any time for the purpose of determining whether any and all parts of the lodging property comply with this article. Voluntary inspections shall not be subject to the inspection fees set forth by SLTCC 6.15.720. Where violations of this article are discovered during a voluntary inspection, fines shall not be assessed if said violations are corrected within three months of the date of inspection.

E. Reduced Inspections. Lodging properties with SRO unit(s) that have been permitted under this article for a minimum of three successive years and which have complied with all elements of this article shall be eligible for reduced inspections and reduced SRO fees provided the lodging property meets the following standards and requirements set forth by the SLTCC or other agency standards:

1. Defensible space standards.

2. Dumpster enclosures.

3. Landscaping and drainage standards. (Ord. 1088 § 1 (Exh. B))

6.15.760 Violations.

A Any and all violations of this article shall be subject to the city's administrative citation procedures as set forth in SLTCC Title 2.

B. Any/all practices intended to evade compliance with this article shall be deemed a violation thereof.

C. Residents and inhabitants of SRO units shall not be moved to another unit so as to deprive such residents, tenants and inhabitants of the rights conferred by this article.

D. Relocation of Tenants. If any SRO unit is found to be unsafe to occupy, due to imminent danger to health and safety of the resident(s), the costs and expenses of relocation of any tenant from that unit shall be the responsibility of the owner, pursuant to the provisions of Health and Safety Code Section 17975 et seq.

E. The following constitute violations of this article:

1. Verifiable complaints of noncompliance with the standards set forth in this article.

2. Failure to obtain an SRO permit where a permit is required.

3. Failure to pay SRO fees, TOT, and/or business and professions tax upon such fees and taxes becoming due.

4. Permissible use of rooms and/or units in a lodging property for a period greater than 29 days without having obtained an SRO permit and without meeting the design, development and maintenance standards set forth by this article.

5. Failure to accommodate inspections authorized by this article. (Ord. 1088 § 1 (Exh. B))

6.15.770 Tourist accommodation units.

All SRO units shall remain tourist accommodation units (TAUs) as set forth by TRPA's Code of Ordinances, unless converted from a TAU by regulations or means other than this article. (Ord. 1088 § 1 (Exh. B))

Chapter 6.15

BUILDING REGULATIONS

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For state law authorizing city to regulate the construction, alteration and repair of buildings and the materials used therefor, see Gov. C. § 38660. As to the authority of city to prescribe restrictions on buildings used for human habitation, equal to or greater than state law, see H. and S.C. § 17951. As to community antenna television systems, see Chapter 3.40 SLTCC. As to fire protection, see Title 5 SLTCC. As to plan line setbacks, see Chapter 6.35 SLTCC. As to signs and advertising structures, see Chapter 6.40 SLTCC. As to subdivision of land, see Chapter 6.45 SLTCC. As to zoning, see Chapter 6.55 SLTCC.

Prior legislation: Ords. 890, 958 and 959 and Code 1997 §§ 8-13, 8-14.1 – 8-24.3, 8-27 – 8-32 and 8-33 – 8-33.2.

Article I. In General

6.15.010 Applicability, purpose and authority.

The purpose of this chapter is to adopt by reference the 20221~~9~~ Edition of the California Building Standards Code, Title 24 of the California Code of Regulations, subject to the clarifications and amendments set forth in this chapter. The purpose of this chapter is also to provide minimum requirements and standards for the protection of public safety, health, property and welfare of the City of South Lake Tahoe. The following adopted codes prescribe regulations for erecting, construction, enlargement, alteration, repair, improving, removal, conversion, moving, demolition, occupancy, equipment use, height and area of buildings and structures:

A. Building Code Adopted. The 20221~~9~~ Edition of the California Building Code, known as the California Code of Regulations, Title 24 Part 2, incorporating the 20211~~8~~ Edition of the International Building Code, published by the International Code Council, including ~~Chapter 1,~~ Appendix C, Group U Agriculture Buildings, Appendix F, Rodent-proofing, Appendix H, Signs, and Appendix I, Patio Covers, is hereby adopted by reference.

B. Residential Code Adopted. The 20221~~9~~ Edition of the California Residential Code, known as the California Code of Regulations, Title 24 Part 2.5, incorporating the 2018 Edition of the International Residential Code, published by the International Code Council, including Chapter 1, is hereby adopted by reference.

C. Electrical Code Adopted. The 20221~~9~~ Edition of the California Electrical Code, known as the California Code of Regulations, Title 24 Part 3, incorporating the 20201~~7~~ Edition of the National Electrical Code, published by the National Fire Protection Association, including Article 89, and Annex H is hereby adopted by reference.

D. Mechanical Code Adopted. The 20222019 Edition of the California Mechanical Code, known as the California Code of Regulations, Title 24 Part 4, incorporating the 20212018 Edition of the Uniform Mechanical Code, including Chapter 1, CMC Appendices A, B, C and D, is hereby adopted by reference.

E. Plumbing Code Adopted. The 20222019 Edition of the California Plumbing Code, known as the California Code of Regulations, Title 24 Part 5, incorporating the 20212018 Edition of the Uniform Plumbing Code, including appendices and installation standards, published by the International Association of Plumbing and Mechanical Officials, ~~including Chapter 17~~, is hereby adopted by reference.

F. Energy Code Adopted. The 20222019 California Energy Code, known as the California Code of Regulations, Title 24 Part 6, published by the California Energy Commission, is hereby adopted by reference.

G. Historical Building Code Adopted. The 20222019 California Historical Building Code, known as the California Code of Regulations, Title 24 Part 8, published by the International Code Council, is hereby adopted by reference.

H. Fire Code Adopted. The 20222019 Edition of the California Fire Code, known as the California Code of Regulations, Title 24 Part 9, incorporating the 20212018 Edition of the International Fire Code, published by the International Code Council, including Chapter 1, is hereby adopted by reference.

I. Green Building Standards Code Adopted. The 20222019 Edition of the California Green Building Standards Code, known as the California Code of Regulations, Title 24 Part 11, published by the International Code Council, is hereby adopted by reference.

J. Swimming Pool, Spa and Hot Tub Code Adopted. The 20212018 Edition of the International Swimming Pool, Spa and Hot Tub Code, published by the International Code Council, is hereby adopted by reference.

K. International Property Maintenance Code Adopted. The 20212018 Edition of the International Property Maintenance Code, published by the International Code Council, is hereby adopted by reference. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-1)

6.15.020 Building, etc., permits generally.
The building official shall check the application, plans and specifications for any building, electrical, mechanical and plumbing permit and the energy efficiency standards for residential and nonresidential buildings. No permit shall be issued unless the plans and specifications have been reviewed and approved by each of the other departments of the city concerned as being in conformance with pertinent laws and ordinances under their jurisdiction. If the building official is satisfied that the work described in an application for a permit and the plans and specifications filed therewith conform to the requirements of this chapter and other pertinent laws and ordinances and that the fee specified has been paid, such official shall issue a permit therefor to the applicant. Reversed plans will not be accepted. No final inspection or approvals by the building division, for use or occupancy of any structure permitted by this chapter, shall be granted until final inspections and approvals are obtained from all other city and county departments which have imposed requirements for the project. (Ord. 926; Ord. 1003 § 1 (Exh. A); Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-2)

6.15.030 Design review.
A. Applicability. In general, the standards and guidelines contained in this title are to be applied to new construction, major remodeling more specifically.

B. All applicable projects are subject to the city's design review process. Contact the city planning department for specific process requirements. Some projects may also require approval by the Tahoe Regional Planning Agency. Applicants shall also contact the TRPA for their processing requirements.

1. All newly constructed or exterior remodeled buildings or structures proposed for any use other than single-family residential units.

2. Newly constructed or exterior remodeled residential units or structures which are located within 200 feet of the high water line of the lake.

3. All prefabricated or factory built buildings or structures.

4. All existing buildings or structures to be relocated within the city, regardless of proposed use.

5. Any structures proposed or located within a floodplain, as defined within the city code.

6. New or modified parking areas containing four or more parking spaces.

7. Other proposals without buildings or structures which could potentially affect the general appearance of the city, including public projects, such as erosion control projects.

C. No permit shall be issued in any case set forth herein until the plans therefor have been approved through the design review process and all buildings, structures and grounds shall be in accordance with the plans as approved. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-3)

6.15.040 Moving of buildings and structures – Relocation permit required.
No person shall move any buildings or structures from one location within or outside the city to another location within the city without having first obtained a relocation permit therefor from the city building division.

A. Written application for a relocation permit shall be made ~~in triplicate~~ stating the contemplated uses of the building at the new location. The applicant shall also furnish a map showing the exact route on which the building is to be moved. Such route shall be approved by the public ~~services~~ works director, together with the time within which the building is to be moved. A reasonable fee equal to the costs of processing the application shall be paid at the time of making the application, no part of which shall be refunded.

The application shall be accompanied by a photograph of the building or structure in its present location, a plot plan of the site on which the building or structure is to be located, a foundation plan and details, and, if the building or structure is to be altered in any way, architectural drawings showing floor plans and elevations in its new location.

B. In addition to the specified fee, any person who seeks a permit to move a building within the city shall first have executed and delivered to the city a good and sufficient surety bond in the penal sum of $10,000 or a rider of the same amount on the permittee's insurance policy, in favor of the city as obligee conditioned to guarantee payment to the city for any damage that may result to city streets or other public improvements or trees and overhanging wires caused by the moving of such building.

C. The application, along with comments from the building division and the public works division, shall then be reviewed by the city planning division and processed through the design review process to determine whether the architectural and general appearance of the building or structure, as relocated, will improve the character of the neighborhood and such as not to be detrimental to the orderly and harmonious development of the city nor to impair the desirability of investment or occupation in the neighborhood.

D. The building division shall not issue a relocation permit unless the design review process is complete.

E. Removal and relocation of a building pursuant to a relocation permit must be completed within 60 days from the issuance of the permit.

F. Within 10 days after the completion of the moving of any building within the city, the city shall cause an inspection to be made by the public ~~services~~ works director of the route taken in the moving of such building to ascertain the damage, if any, to all streets or other public improvements or trees and overhanging wires and property, of any nature whatsoever within the city, and the building official shall present to the permittee a claim in the amount necessary to repair such damage, if any. Thereupon, the permittee shall cause such claim to be paid or, in the event of a failure or refusal to pay such claim, the bond heretofore filed shall be forfeited in the amount necessary to pay such claim and if any amount of damage insured shall exceed the penal amount of such bond, such deficiency shall be paid by the permittee to the city without further demand therefor. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-4)

6.15.050 Moving of buildings and structures – Building permit required.
No person shall move any building from one location in or outside the city to another location within the city unless a building permit has been first obtained to permanently install such building or structure in its new location. Such

building permit shall be required in addition to a relocation permit. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-5)

6.15.060 Drainage requirements for building construction, etc.

A. It is the purpose of this section to safeguard adjoining properties and public streets and ways from damage by unnatural flows of surface waters and to prevent the construction of homes and other buildings in areas likely to become flooded.

B. This section applies to all persons engaged in construction within the city, whether as owner, lessee, contractor, or otherwise.

C. No building permit shall be issued for any new construction or any additions or remodeling resulting in new structures at or below ground level unless this section shall have been complied with.

D. Every building permit application for new construction or any additions or remodeling resulting in new structures at or below ground level other than single-family or duplex structures shall be accompanied by the following information and documents, in addition to those otherwise required by this chapter:

1. A grading plan, showing the present contours of the land, the proposed final grade and location of improvements.

2. Profile sections at the rear, middle and front of the property, showing existing contours, the proposed final grade and the location of improvements.

3. Details of drainage structures, walls, cribbing, surface protection and landscaping.

E. No building permit shall be issued if the drainage information required by this section reveals any of the following facts:

1. Drainage from the property after construction will apparently result in physical damage directly or indirectly to another lot or to any public street or public property.

2. Natural drainage from the property will be changed to the detriment of surrounding property.

3. The first floor level of any improvement will be in danger of flooding from surface runoff. Permits, however, may be issued when foundations are raised above the flooding level as determined by the city.

In those instances where existing structures that are located in floodplains, as defined by the flood insurance rate map (FIRM), are reconstructed or have substantial improvements done to them (over 50 percent of replacement costs prior to damage having occurred), permits may be issued provided the lowest floor elevation is raised one foot above the defined 100-year floodplain per applicable FEMA requirements.

F. A grading plan may be required by the building division for single-family or duplex structures where an on-site inspection indicates that any fact mentioned in subsection (E) of this section may exist.

G. The building official, with the concurrence of the city engineer, may waive any or all of the requirements of subsection (D) of this section whenever an on-site inspection satisfies such officers that the facts described in subsection (E) of this section do not exist or that the requirements in question would not reveal any such facts. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-6)

6.15.070 Electrical power for construction purposes.

Temporary electric power for construction can be provided by a temporary power pole that complies with the requirements of the California Electric Code and Liberty Utilities Company specifications. Or, temporary power can be arranged from the permanent main service panel using the permanent grounding electrode. The main service panel shall be framed into the permanent wall section of the structure. This wall section shall have a shear panel on it and be braced to the satisfaction of the jurisdiction. There can be a maximum of two quadruple ground faulted outlet locations. The wiring to each location shall be in conduit. Any connection of power to the building's

permanent outlet wiring prior to authorization by the building division will result in a disconnect order to the providing utility.

Prior to any reconnection of electric to the site of a disconnect order, penalty fees in accordance with SLTCC 6.15.080 shall be paid.

Prior to energizing the permanent outlet wiring from the main panel, all nail or screw-applied wall finishes must be completed; all electric work for the permanent circuits to be energized must be completed; and the building must be able to be secured against entry by unauthorized persons. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.1)

6.15.080 Penalties.
It shall be unlawful for any person, firm, or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, or demolish, equip, use, connect electric power or gas, occupy or maintain any building or structure in the city, or cause or permit the same to be done, contrary to or in violation of any of the provisions of this code.

Any person, firm, or corporation violating any of the provisions of the code shall be deemed guilty of an infraction. Penalties for a violation of this chapter shall be as outlined in Chapter 2.30 SLTCC for each and every subsequent offense. Each separate day or any portion thereof, during which any violation of this code occurs or continues, shall be deemed to constitute a separate offense. The issuance or granting of a permit or approval of plans and specifications shall not be deemed or construed to be a permit for, or an approval of, any violation of any of the provisions of this code. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.2)

6.15.090 Jobsite sanitary facilities.
Temporary sanitation facilities shall be provided on all construction sites. Failure to maintain such facilities will result in a stop work order until such facilities are provided.

Exception: Remodels which contain an operable on-site toilet facility. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.3)

6.15.100 Construction site requirements.
A. All trash, temporary BMP elements related to construction, site security elements, and construction debris shall be disposed of in an approved manner on a regular basis. Prior to any final inspection, all construction trash and debris shall be removed from the site. No debris or construction materials may be stored in the public right-of-way.

B. Building permit must be posted in public view and visible from street or closest possible to passersby.

C. Construction site must have address posted at all times.

D. Approved construction documents must be on site at all times.

E. Access to areas must be provided to inspector at his or her request.

F. All construction activities that include impact equipment and activities such as pile driving, soil compaction, or vibratory hammers could potentially affect nearby structures. Where these activities occur within 200 feet of existing structures, an analysis shall be conducted of potential vibration levels based on the criteria contained in Table 436-12 of the City General Plan Update EIR (September 2010). Construction operations shall be designed to avoid or mitigate for vibrations above 0.02 inches/second (0.5 mm/second).

G. All required exits, existing structural elements, fire protection devices and sanitary safeguards shall be maintained at all times during alterations, repairs, or additions to any building or structure.

H. Fire safety during construction shall comply with the applicable requirements of this code and the applicable provisions of the California Building Code and Chapter 33 of the California Fire Code.

I. All construction activities shall be performed in a manner that prevents injury or damage to persons, adjoining properties and public rights-of-way. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-7.4)

6.15.110 Criteria for prevention of flood damage.
Prior to the issuance of any building permit for new construction or substantial improvements, the building official, after such consultation as the building official deems necessary with the city engineer, shall:

A. Review the application to determine whether the proposed building site will be reasonably safe from flooding. If a proposed building site is in a location that has a flood hazard, the proposed new construction or substantial improvement, including prefabricated and mobile homes, shall:

1. Be designed or modified and anchored to prevent flotation, collapse or lateral movement of the structure.

2. Be constructed of materials and utility equipment that are resistant to flood damage.

3. Be the result of construction methods and practices that will minimize flood damage.

4. Comply with all FEMA requirements for buildings constructed within a designated floodplain.

B. Require new or replacement water supply systems or sanitary sewage systems to be designed to minimize or eliminate infiltration of flood waters into the systems and discharges from the systems into flood waters. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-8)

6.15.120 Liability of city.
The building official or any employee, within the course and scope of his or her employment, charged with the enforcement of this code, acting in good faith on behalf of the city, and without malice, shall not thereby be rendered liable personally and such person is hereby relieved from all personal liability for any damage that may accrue to persons or property as a result of any act required or by reason of any act or omission in the discharge of such person's duties. Any suit brought against the building official or employee, because of such act or omission performed by such person in the enforcement of any provisions of the codes adopted in Articles I and II of this chapter, shall be defended by the city until final termination of the proceedings. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-9)

6.15.130 Severability.
If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed the ordinance codified in this chapter and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-10)

Article II. Technical Codes

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Division 1. Generally

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6.15.140 Where filed – Availability of codes.
One copy of each of the codes adopted by reference in Article I of this chapter is on file in the office of the building official for use and examination by the public. Ordering information for obtaining copies of such codes may be obtained at the city services center public counter. (Ord. 926; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-11)

6.15.150 Conflicts with state law.
Wherever the provisions of the state housing law (Division 13, Part 1.5, beginning with Section 17910 of the Health and Safety Code of the state) shall impose requirements more stringent than those established by this article, the provisions of the state housing law shall be applied by the building division. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-12)

Division 2. Local Amendments to Adopted Codes

6.15.155 Purpose.
The purpose of this division is to identify local amendments to the adopted codes, consistent with Health and Safety Code Section 17958 based on express findings relative to local climatic, topographical or geological conditions. (Ord. 1134 § 1 (Exh. A))

6.15.160 Amendments, additions and deletions to the adopted codes.
A. California Building Code Section 105.5.1, California Residential Code Section R105.5.1, California Plumbing Code Section 104.4.3.1, California Mechanical Code Section 104.4.3.1 and California Electrical Code Article 89, 108.4.1 are hereby amended to read as follows:

> Every permit issued by the building official under the provision of this code shall become invalid and expired unless the work authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 12 months after the time the work is commenced. The Building Official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause fordemonstrated. ~~a new structure or an addition shall expire by limitation and become null and void if the building or work authorized by such permit is not completed and inspected within one year from the date of issuance of such permit. Before such work can be recommenced, a new permit shall be obtained to do so.~~ In order to renew action on an invalid permit after expiration, the permittee shall pay a new full permit fee and be accompanied with updated construction documents to reflect compliance with the most recent applicable codes based on the new submittal date.

B. Any permittee holding an unexpired permit for a new structure or addition may apply for an extension of the time for which work may be completed under that permit when the permittee is unable to complete work within the time required by this section for good and satisfactory reasons. The building official may extend a permit for a period not exceeding ~~one year~~180 days on written request by the permittee. The written request shall be submitted to the building official prior to the expiration date of the original permit. The request for an extension of an existing permit shall show that circumstances beyond the control of the permittee have prevented completion of the work authorized by the permit. No permit may be extended more than three years cumulatively.

C. California Building Code Section 109.2, California Fire Code Section 106.2, California Residential Code Section R108.2., California Plumbing Code Section 104.5, California Mechanical Code Section 104.5 and California Electrical Code Article 80.19(H)(4) are hereby amended to read as follows:

> The fee for each permit shall be as set forth in this section and by city council resolution. The determination of value or valuation under any of the provisions of this code shall be made by the building official/fire code official. The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued, as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems, and any other permanent equipment. Fees shall be determined by the valuation as shown for good construction on the valuation table as published annually in the November/December issue of Building Standards magazine. Values shall be 100 percent of the valuation given in the basic valuation table. Fees shall be adjusted on the first day of January each year. The fee shall be as specified through adoption of resolution by the city council.
>
> EXCEPTION: Major projects for which the city contracts for inspection and/or plan review services shall be charged permit fees in accordance with the above section. Costs of additional plan review and/or overtime inspections required for project fast-tracking, or contractor scheduling, or due to changes in plans, shall be paid by the owner on a monthly basis. The fees shall be equal to the cost of service plus a 25 percent administrative fee.

The owner shall provide on-site office space for the resident inspector. Such office space shall be private and under the exclusive control of the resident inspector. Electric power, heat and phone service shall be provided to the office. Such office shall be maintained on-site until the final certificate of occupancy is issued.

For work requiring a permit not described on the valuation table, the valuation shall be determined by contract price for the work, subject to review by the building official.

The minimum permit fee under this section shall be as specified through adoption of resolution by the city council. Additional plan review as a result of incomplete submittals or changes to plans after approval of such plans will be charged a plan review fee.

A reinspection fee shall be charged for scheduled inspections when the work, for which an inspection was requested, is not ready for inspection. A reinspection fee shall also apply to additional inspections after the initial inspection for verifying correction of items noted in a correction notice.

Special inspection fees shall be charged with a one-hour minimum charge. Any inspections requested outside of regular work hours will be charged a three-hour minimum charge.

D. California Building Code Section 115.4, California Fire Code Section 107.4~~6.3~~, California Residential Code Section R114.4~~3, and California Electrical Code Article 80.23(3)~~ are hereby amended to read as follows:

When a stop work order is issued a~~A~~n investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The permit fee for work without a permit shall be twice the normal permit fee. The payment of such investigation fee shall not exempt any person from compliance with all other provisions of this code nor from any penalty prescribed by law.

E. International Property Maintenance Code (IPMC) Section 107, Notices and Orders. Add the following text at the end of subsection 107.2, Item 4:

The maximum time limit shall be determined by the city building official based upon the condition of the structure and the potential hazard involved. Once such determination has been made, the building official shall serve a copy of a notice and order which specifies the dangerous condition to be remedied, together with the timeline for correction, as determined by the building official. Prior to the expiration date specified in the notice and order, the property owner shall perform either the rehabilitation, renovation or removal, as set forth in the notice and order.

Abatement of abandoned or substantially damaged non dwelling unit structures shall be subject to the provisions contained in Chapter 4.60 SLTCC.

F. Authority to Utilize Alternate Method of Recovery of Cost of Demolition. In any case where the city has found it necessary to undertake an abatement process to demolish a structure which has been found by the building official to be unsafe, as defined within Section 108 of the International Property Maintenance Code, the city may elect, at its discretion, to recover costs of such abatement using the methods prescribed in subsection (G) of this section as an alternative to the procedure outlined in Sections 110.3 and 109.4 et seq. of the aforementioned code.

G. Alternate Method of Recovery of Cost of Demolition.

1. Prior to commencement of any demolition activity undertaken as part of the abatement of an unsafe structure, the city shall take all necessary steps to ensure that all development rights which may be present on the parcel are appropriately banked with the Tahoe Regional Planning Agency and the South Tahoe Public Utility District. All such rights, which may include, but not be limited to, development rights, allocations, commercial square footage, hard and soft coverage rights, and sewer units, shall be banked to remain on the parcel upon which the demolition activity will be completed.

2. Upon completion of all demolition activities, an accounting of expenses shall be completed by the administrative services director and a public hearing to consider confirmation of the costs of the abatement shall be scheduled, noticed and conducted in accordance with Section 107 et seq. of the International Property Maintenance Code.

The notice mailed to the owner of record for the property which is the subject of the abatement process shall contain a statement which substantively reads as follows:

IMPORTANT NOTICE TO THE PROPERTY OWNER

Development rights attributable to your property and recognized by the Tahoe Regional Planning Agency have been banked with that agency. These rights have considerable value. In order to retain ownership of these development rights, you must pay any and all costs of the abatement process which may be confirmed by the City Council at the scheduled hearing no later than sixty-five (65) days following the date of said hearing.

Your failure to pay the confirmed costs of said abatement within sixty-five (65) days of the date of the hearing will result in FORFEITURE OF THE DEVELOPMENT RIGHTS ASSOCIATED WITH YOUR PROPERTY.

SUCH FORFEITURE MAY ULTIMATELY PROHIBIT YOU OR ANYONE IN THE FUTURE FROM REDEVELOPING YOUR PROPERTY.

3. Upon completion of the hearing process to confirm the costs of the abatement process, the owner of the property subject to the abatement shall have 65 days from the date of the hearing to pay all costs of the abatement which have been confirmed by the city council. In the event all costs are not paid within the specified time period, the city shall notify the Tahoe Regional Planning Agency of the city council's confirmation of costs of the abatement process and the failure of the property owner to pay said costs, and shall request that the Tahoe regional planning agency approve forfeiture of all development rights banked to be vested with the city of South Lake Tahoe. Such forfeiture and vesting shall become effective 21 days after such approval is granted.

H. Expedited Permit Process for Photovoltaic and Electric Vehicles. To California Building Code Section 107.3 the following subsection shall be added:

Expedited Permit Process for Small Residential Rooftop Systems Solar Systems and Electric Vehicle Charging Stations

Definitions. As used in this section:

"Electronic submittal" means the utilization of electronic e-mail or submittal of an application via the internet.

"Reasonable restrictions" on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits.

Restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance" means:

1. For water heater systems or solar swimming pool heating systems: an amount exceeding ten (10) percent of the cost of the system, but in no case more than one thousand dollars ($1,000.00) or decreasing the efficiency of the solar energy system by an amount exceeding ten (10) percent, as originally specified and proposed.

2. For photovoltaic systems: an amount not to exceed one thousand dollars ($1,000.00) over the system cost as originally specified and proposed, or a decrease in system efficiency of an amount exceeding ten (10) percent as originally specified and proposed.

"Small residential rooftop solar energy system" means all of the following:

1. A solar energy system that is no larger than ten (10) kilowatts alternating current nameplate rating or thirty (30) kilowatts thermal.

2. A solar energy system that conforms to all applicable State fire, structural, electrical, and other building codes as adopted or amended by the county and paragraph (iii) of subdivision (c) of Section 714 of the Civil Code, as such section or subdivision may be amended, renumbered, or designated from time to time.

3. A solar energy system that is installed on a single- or duplex-family dwelling.

4. A solar panel or module array that does not exceed the maximum legal building height as defined by the authority having jurisdiction.

"Solar energy system" has the same meaning set forth in paragraphs (1) and (2) of subdivision (a) of Section 801.5 of the Civil Code, as such section or subdivision may be amended, renumbered, or designated from time to time.

"Specific adverse impact" means a significant, quantifiable, direct, unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

a. All solar energy systems and electric vehicle charging stations shall meet applicable health and safety standards and requirements imposed by the state and the City of South Lake Tahoe.

b. All solar energy systems and electric vehicle charging stations shall be certified by an accredited listing agency.

c. All energy systems for producing and or supplying electricity shall meet all applicable safety and performance standards established by the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

d. Proof of approval by the Tahoe Regional Planning Agency must be presented with application.

e. Proof of approval by local utility must be presented with application.

I. Fire Watch. California Fire Code Section 403.112.1, Fire Watch Personnel, is hereby amended to read as follows:

When, in the opinion of the fire code official, it is essential for public safety in a place of assembly or any other occupancy, because of the number of persons, or the nature of the noncompliance with the California Fire Code and/or the nature of the performance, exhibition, display, contest or activity, the fire code official may require the owner, agent or lessee, to provide one or more fire watch personnel to perform fire watch duties during the times such places are open to the public, or when such activity requiring a fire watch is being conducted.

J. Building Address. Section 502.1 of the California Building Code, California Fire Code Section 505.1 and Section R319.1 of the California Residential Code are hereby amended to read as follows:

Approved numbers or addresses shall be provided for all new buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Address numbers and internal illumination shall be maintained. The addresses for new dwellings shall be posted with a minimum of four inch (4") high numbers with proportionate width that are plainly visible from the street. During hours of darkness, the numbers shall be internally illuminated. Posted numbers shall be placed on a contrasting background. Where building setbacks exceed one hundred feet (100') from the street or road fronting the property, additional contrasting six inch (6") high numbers shall be displayed at the property entrance. The addresses for new multi-family, new commercial and new industrial buildings shall be posted with a minimum of six-inch (6") high by three-quarters inch (3/4") stroke numbers. During the hours of darkness, the numbers shall be electrically illuminated. New multi-family, new commercial and new industrial buildings shall display address/suite numbers or letters six-inch (6") high by three-quarters inch (3/4") stroke placed on a contrasting background on the front and rear doors of each suite/unit.

K. Fire Access Grade. California Fire Code Section 503.2.7 is hereby amended to read as follows:

503.2.7 Grade. The grade of the fire apparatus access road shall be within the limits established by the fire code official based on the fire department's apparatus. Where driveways serving one- and two- family dwelling units have a driveway gradient exceeding eight percent (8%), a separate emergency egress path of travel from the primary entrance of each dwelling unit to the public way shall be provided. All components of the separate emergency egress path of travel shall comply with all applicable provisions of the California Building Code.

L. Wildland-Urban Interface (WUI). California Building Code Chapter 7A, California Fire Code Chapter 49 and California Residential Code Section R337 are adopted in their entirety with the amendments to read as follows:

CITY OF SOUTH LAKE TAHOE IS DESIGNATED AS VERY-HIGH FIRE HAZARD SEVERITY ZONE. For purposes of clarification and enforcement of the following shall be added to each chapter preface: The City of South Lake Tahoe has adopted Ordinance 2019-1131 which designates all areas within the City of South Lake Tahoe a Very High Fire Severity Zone.

M. Freeze Protection. California Building Code and California Fire Code Section 903~~.7~~ are hereby added to the California Building Code and the California Fire Code to read as follows:

All sprinkler systems shall be suitably freeze-protected for climatic conditions as prescribed by the fire code official.

N. Roof Fire Rating. California Building Code Section 1505.1.1 and California Residential Code Section R902.1.1 are written here for emphasis and clarity:

The entire roof covering of every existing structure where more than 50 percent of the total roof area is replaced within any one-year period, the entire roof covering of every new structure, and any roof covering applied in the alteration, repair or replacement of the roof of every existing structure, shall be a fire-retardant roof covering that is at least Class A.

O. Snowshed Impact Areas. Add to California Building Code Section 1608.1~~507.4.3~~ and to California Residential Code Section R301.2.3~~905.10.5~~:

Snow shed Impact Areas Protection of Required Entries/Exits, Parking, and Driveways.

1. Roof surfaces and photovoltaic panels that are susceptible to rooftop avalanche risk shall be designed so that snow shed impact areas will not occur in or on entries/exits (required exits only for R-3 occupancies), vehicle parking areas, driveways, LPG storage tanks, gas meters, electrical meters, walkways, and public ways.

2. The minimum snow shed impact area shall have a setback of ten feet measured horizontally from a vertical line projecting from the roof eave to the other constructed elements such as fences, sheds, and patio covers.

3. The snow shed impact area may be eliminated provided an engineered snow restraint system, designed in accordance with this code, is incorporated into the roof design and, in other than R-3 occupancies, an approved roof drainage system (e.g., heated gutter and downspout) is installed to prevent ice formation/accumulation at the grade or access level.

4. Property owners shall maintain snow shed impact areas to prevent snow from encroaching beyond the impact area boundaries.

5. Existing structures may use engineered snow slide restraint devices without an approved roof drainage system to reduce hazards associated with the existing roof design.

P. Ice Dam Membrane. Add Section 1507.1.2~~6.5~~ to the California Building Code and Section R9045.1.2.~~6~~ to the California Residential Code as follows:

Title 15-10: An "Ice Guard" is required on roofs of heated areas of buildings. Roofs, regardless of covering, with a pitch of less than 8 in 12 shall be protected against leakage (caused by ice and snow) using an approved manufactured membrane installed per the manufacturer's specifications and as approved by the building official. This application shall extend from the eave edge of the roof up the roof slope measured 5 feet beyond the wall line separating the conditioned and unconditioned space, and up 30 inches along each side of a valley. This "Ice Guard" shall be in addition to any other required underlayment.

Q. Local Design Criteria. Amend California Building Code Section 1603 and California Residential Code Table R301.2~~(1)~~, Climatic and Geographic Design Criteria, by adding the following design criteria values as listed below in items 1 through 8 to read as follows:

1. Ground Snow Load: 150 PSF

2. Wind Design Speed: (Based on the ASCE 7-10 code cycle)

Risk Category 1: 110 mph

Risk Category 2: 120 mph

Risk Category 3: 130 mph

Risk Category 4: 130 mph

3. Seismic Design Category: D

4. Subject to Weathering from Weathering: Negligible

5. Frost Line Depth: 18 inches

6. Termites: Yes

7. Climate Zone: 16

8. Ice Barrier Underlayment Required: Yes

R. Snow Loads. Add Section 1608.4 to the California Building Code and Section R301.2.3.1 to the California Residential Code as follows:

All of the City of South Lake Tahoe shall be declared a snow area with a Ground Snow Load of 150 Pounds Per Square Foot. This pertains to all structures, modular buildings, and factory-built houses. The building official may permit deviations from the snow loading standard, provided the snow load and conditions in each individual case are derived and certified by a registered civil or structural engineer with demonstrated experience in snow load evaluation.

S. Protection of Piping from Freezing. Add Section 312.13 to the California Plumbing Code as follows:

a. All water supply piping shall be protected from freezing by a minimum of 42 inches of earth covering.

b. All water piping shall be installed in such a manner to allow for the system to be drained.

c. Water piping shall not be installed or concealed in unheated walls, ceilings and attics.

T. Exhaust Vent Protection. Add Section 802.3.3.5 to the California Mechanical Code as follows:

a. Exhaust terminals and combustion air intakes shall not be located in areas in which could be sealed off around the perimeter with snow accumulation.

U. Electrical Installations. Add Article 80.13(a) and (b) to the California Electric Code as follows:

a. All electrical systems that are over 400 amps shall be designed by a California-licensed electrical engineer.

b. When changing out or adding a new electrical main panel, the subpanel, if so equipped, shall also be changed out to a breaker subpanel. No residential fuse panels will be allowed.

(Ord. 891 § 1; Ord. 901; Ord. 926; Ord. 983 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1107 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-14. Formerly 6.15.170)

Article III. Underground Utilities

6.15.170 Definitions.

For the purpose of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section:

"Communication service" means the transmission of intelligence by electrical means, including, but not limited to, telephone, telegraph, messenger call, clock, police, fire alarm and traffic control circuits and circuits for the transmission of standard television or radio signals.

"Electrical service" means the distribution of electricity for heat, light or power. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-34. Formerly 6.15.490)

6.15.180 Service required – New buildings.

It shall be a condition of permits issued for the construction of new homes and other buildings which will require electrical or communications services provided by cables and wires that facilities necessary to receive utility cables and wires be installed underground by the permittee from the building to the service point to be determined by the utility company.

If the serving utility pole is located on the same side of the street as, and between, the extended side lot lines of the property involved, the utility service shall thereafter be connected underground.

If the serving utility pole is located elsewhere, underground connection of the utility service shall be made at the time the aerial lead of the serving utility is removed and replaced by an underground lead. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-35. Formerly 6.15.500)

6.15.190 Service required – Remodeling or repairs.
It shall be a condition of any permit for the repair or remodeling of a building or sign requiring communication service or electric service, which repair or remodeling shall be in an amount exceeding 50 percent of the market value of the property, as determined by applying the last available assessment ratio to the last available assessment by the county assessor, that facilities necessary to receive such services be placed underground from the building to the serving point designated by the utility company.

If the serving utility pole is located on the same side of the street as and between the extended side lot lines of the property involved, the utility service shall be connected underground upon the completion of the work authorized by the building permit.

If the serving utility pole is located elsewhere, the utility service shall be connected underground at the time the serving utility aerial lead is removed and replaced with an underground lead. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-36. Formerly 6.15.510)

6.15.200 Exemptions from article.
The provisions of SLTCC 6.15.180 and 6.15.190 shall not apply to the following types of facilities and situations:

A. Poles without overhead lines used exclusively for fire or police alarm boxes, lighting purposes or traffic control.

B. Overhead wires attached to the exterior surface of a building by means of a bracket or other fixture and extending from one location on the building to another location on the same building.

C. Radio antennas, their associated equipment and supporting structures, used by a utility or person for furnishing communication services.

D. Equipment appurtenant to underground facilities, such as surface-mounted transformers, pedestal-mounted terminal boxes and meter cabinets and concealed ducts. Such facilities shall be so located as to harmonize with the area or screened and landscaped. The city council may, after hearing with the utility companies and affected property owners, by resolution, require that all or part of the transformers and service terminals be flush with or below the surface of the ground at the point of installation.

E. Where the city engineer expressly finds that topographical or soil conditions make such application unreasonable or impractical.

F. Where the city engineer, upon application of the applicant for a building permit, expressly finds that application of such sections cannot be accomplished feasibly and practically within pertinent safety regulations and other laws applying to the installation and that such application will cause unnecessary or unusual hardship. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-37. Formerly 6.15.520)

Article IV. Numbering of Buildings

6.15.210 Adoption by reference of building number maps.
There is hereby adopted a building number index map and sectional building number district maps which are on file with the building division of the city and are made part of this article by reference. Maps showing the streets hereafter constructed within the city or streets in areas hereafter annexed to the city shall be added to such map from time to time and the building numbers shall be indicated thereon and, upon filing with the building division, such maps shall constitute a part of the building number maps. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-38. Formerly 6.15.530)

6.15.220 Designation of numbers by building official.
It shall be the duty of the building official to designate and assign the respective numbers for buildings fronting on streets as set forth upon the building number map or as determined by the building official. (Ord. 983 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-39. Formerly 6.15.540)

6.15.230 Numbers to be affixed to buildings – Manner of affixing numbers.
It shall be the responsibility of the owners or occupants to affix the property numbers to their respective buildings in any style or device; provided, that each figure of a number shall be plainly visible and legible from the public way.

The main entrance to commercial buildings shall be numbered such that the numbers are plainly visible from the street fronting the property. All entrances to residential buildings from the public streets of the city shall be numbered, either on the street fronting the property, or as designated by the building official. The number of every entrance shall be placed upon, immediately above, or immediately adjacent to the door or gate closing of such entrance. Multi-unit buildings shall also have each unit numbered with an individual unit number placed upon, immediately above, or immediately adjacent to the door of each unit. Building numbers shall be a minimum of four inches in height, and of a contrasting color to that of the background on which they are placed. On newly constructed and/or altered buildings where building setbacks exceed 100 feet from the street or road fronting the property, additional contrasting six-inch-high numbers shall be displayed at the property entrance. The addresses for new multifamily, new commercial and new industrial buildings shall be display address/suite numbers with a minimum of six-inch-high by three-quarters-inch stroke numbers and placed on a contrasting background on the front and rear doors of each suite/unit. (Ord. 946 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-40. Formerly 6.15.550)

6.15.240 Responsibility for placing of numbers.
The appropriate number of any entrance to any building shall be placed thereon within five days after the receipt by the owner, occupant, lessee, tenant or subtenant of the building of a notice from the building official of the number designated for such building; and all numbers other than the numbers provided for in this chapter for the respective entrances shall be removed from every building by the owners, occupants, lessees, tenants or subtenants thereof, within five days from the service of the notice, designating the appropriate numbers to be placed thereon. It shall be the duty of the building official upon request from any owner, occupant, lessee, tenant or subtenant of the building to provide such owner, occupant, lessee, tenant or subtenant the proper building number of the building occupied by such person. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-41. Formerly 6.15.560)

6.15.250 Display of number – Prerequisite to issuance of business license.
No business license shall be issued to any person unless such person shall certify that the premises upon which such business is conducted are numbered in the manner required by this article and that the building numbers are displayed in the manner provided in this article. (Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A); Ord. 1134 § 1 (Exh. A). Code 1997 § 8-42. Formerly 6.15.570)

Article V. Board of Appeals

6.15.580 Established.
This section establishes the building board of appeals. The functions of the building board of appeals shall be set forth by resolution of the city council. (Ord. 884 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-43)

Article VI. Underground Storage Tanks

6.15.590 Removal/replacement of underground storage tank.
Any removal or replacement of an underground storage tank on property visible from Highways 50 or 89, or both, is required to obtain a demolition permit from the city prior to such removal or replacement. The demolition permit and inspections are proposed to impose a minimum of the following:

A. If the area is to be fenced:

1. Fence will only encompass excavation area;

2. Fence shall conform with existing city fence ordinance, except:

   a. Fence will be constructed only of wood unless finding can be made by staff that chain link fencing is necessary for security purposes,

   b. Staff may allow encroachment into required street/side yard setbacks if determined necessary.

B. In addition to all of the above, the following standards will also be imposed:

1. Building will be secured (windows, doors and other openings) through the use of plywood or other material to match exterior. The plywood will be painted to match the building exterior;

2. If tank is being removed and not replaced, island overhang will be removed prior to, or simultaneously with, tank removal (see SLTCC 6.10.460, Service station change of use – Conditions).

C. If on-site or in-place aeration is proposed to treat contaminated soil, aeration plan is subject to city staff review as part of the demolition permit to ensure appropriate screening of equipment, machinery and aeration pile.

D. All other usual and customary requirements of a demolition permit will also be imposed.

E. Stations which remain fenced or secured and inoperative and/or in a dilapidated or unsightly condition in excess of 180 days will be declared by staff as abandoned and/or a nuisance affecting the visual and aesthetic health and welfare, and as such, subject to nuisance abatement proceedings contained in Chapter 4.40 SLTCC, Article II. If due diligence can be documented, an extension not to exceed an additional 180 days may be granted. (Ord. 901; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-49)

Article VII. Construction and Demolition Debris Recycling

6.15.600 Title/purpose.
This article shall be known as the "construction and demolition debris recycling ordinance." The purpose of this article is to achieve reduction and/or recycling of debris generated by projects, thereby diverting the debris from disposal facilities, saving landfill space, and conserving natural resources consistent with the goals of Section 40000 et seq. of the Public Resources Code. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.1)

6.15.610 Definitions.
Except where the context or particular provisions require otherwise, the following definitions shall govern the construction of this article:

A. "Building official" means the building official of the building department or his/her authorized representative.

B. "Construction and demolition debris" means solid waste generated by or resulting from construction or demolition-related activities including, but not limited to, building, construction, deconstruction, demolition, excavation, grading, improvement, land clearing, reconstruction, remodeling, and renovation.

C. "Debris recycling acknowledgment" means a written statement signed by the permittee, in the form prescribed by the building official, to acknowledge the actions planned to be taken or administered by or on behalf of the permittee to achieve reduction or recycling of, at minimum, 50 percent by weight of debris resulting from a project. This minimum 50 percent reduction or recycling may be increased by the building official to reflect any such higher percentage that may hereafter be mandated by state law.

D. "Debris recycling report" means a written summary signed by the permittee, in the form prescribed by the building official, for reporting the amount of debris reduced and/or recycled for a project and the amount of debris from that project disposed of at a disposal facility.

E. "Performance security" means any performance bond, surety bond, letter of credit, or certificate of deposit submitted to the city pursuant to SLTCC 6.15.650.

F. "Permit" means a permit other than a grading permit issued by the building department for construction or demolition-related activities including, but not limited to, building, construction, deconstruction, demolition, excavation, grading, improvement, land clearing, reconstruction, remodeling and renovation.

G. "Permittee" means any individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any entity or person whatsoever that applies for a permit.

H. “Project” means any activity which occurs within the incorporated areas of the city that either (1) requires a permit that specifies any demolition work or activity that exceeds 5,000 square feet in area, or (2) requires a permit that authorizes construction-related activities including, but not limited to, building, construction, excavation, grading, improvement, land clearing, reconstruction, remodeling, and renovation for improvements that exceed 5,000 square feet in area. One single development of multiple residential units, multiple commercial units, or multiple industrial units within any subdivided parcel will be considered as a single project regardless of the number of permits required for the development. The provisions of this article shall not apply to single-family and/or two-family residential units and associated accessory structures that are not part of a multiple-unit subdivision or development. Projects that directly result from emergency demolitions to protect public health or safety are excluded from the definition of “project.”

I. “Recycle” or “recycling” means the process of collecting, sorting, cleaning, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream, as defined in Section 40180 of the Public Resources Code.

J. “Recycling facility” means a facility that collects specific types of construction and demolition debris for reuse or recycling. Recycling facilities are identified in the California Integrated Waste Management Board’s C&D Recyclers Database (available on the worldwide web at http://www.ciwmb.ca.gov/ConDemo/Recyclers/).

K. “Reduce” or “reduction” means any action that causes a net reduction in the generation of solid waste, as further defined by Section 40196 of the Public Resources Code.

L. “Solid waste” means all putrescible and nonputrescible solid, semisolid, and liquid wastes, as further defined in Section 40191 of the Public Resources Code.

M. “Solid waste landfill” means a disposal facility that accepts solid waste for land disposal, as further defined by Section 40195.1 of the Public Resources Code. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.2)

6.15.620 Findings.

A. The city finds that the state of California, through its California Waste Management Act of 1989, Assembly Bill 939 (AB 939), requires that each local jurisdiction in the state divert 50 percent of discarded materials from the landfill by December 31, 2000.

B. The city finds that every city and county in California, including the city of South Lake Tahoe, could face fines up to $10,000 a day for not meeting the above mandated goal.

C. The city finds that reusing and recycling construction and demolition debris is essential to further the city’s efforts to reduce waste and comply with AB 939.

D. The city finds that construction and demolition debris waste reduction and recycling have been proven to reduce the amount of such material that is landfilled.

E. The city finds that, except in unusual circumstances, it is feasible to divert an average of at least 50 percent of all construction and demolition debris from construction, demolition, and renovation projects.

F. The city finds that, to ensure compliance with this article without creating a competitive disadvantage, it is necessary to impose a performance security requirement. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.3)

6.15.630 Threshold applicability.

As further defined in SLTCC 6.15.610(H), this article applies to demolition and construction projects within the city of South Lake Tahoe in which the footprint of the structure exceeds 5,000 square feet in area. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.4)

6.15.640 Requirements.

A. All permittees for projects as defined by this article and within the incorporated areas of the city shall submit a debris recycling acknowledgment to the building official for review and approval at the time of submitting an application for a permit.

B. If set forth by resolution of the city council, the permittee shall pay a nonrefundable administrative fee sufficient to compensate the city for all expenses incurred in administering this article.

C. No permit will be issued by the building official for a project unless and until the building official has approved the debris recycling acknowledgment and, if applicable, the performance security and administrative fee have been submitted.

D. Within 60 days after the final and/or occupancy approval of the project by the building official, the permittee shall submit a debris recycling report to the building official for the building official's approval.

E. The building official shall approve the debris recycling report only if the report validates that the permittee either reduced or recycled at minimum 50 percent by weight of the total debris generated by the project. Upon approval of the debris recycling report, the full performance security, if applicable, shall be released to the permittee within 10 business days.

F. In the event that a permittee fails to submit an approved debris recycling report within two years of the date of the current debris recycling acknowledgment, the permittee shall thereafter be required to submit with the debris recycling acknowledgment a performance security. The amount of the performance security shall be calculated as the lesser of three percent of the total project cost calculated by the building official or $10,000. Acceptable forms of performance security include the following: performance bonds, surety bonds, letters of credit, and certificates of deposit.

G. Noncompliance shall be defined as failure to meet the requirements of this article. Specifically, noncompliance means (1) failure to submit a debris recycling acknowledgment pursuant to this article, (2) failure by the permittee to achieve reduction or recycling of a minimum of 50 percent by weight of debris resulting from the project, except as provided in subsection (H) of this section, and/or (3) failure by a permittee to submit a debris recycling report within 60 days of final and/or occupancy approval of the project by the building official. Permittees determined by the building official to be noncompliant will be subject to forfeiture of the performance security, if applicable, in its entirety. Performance security deposits forfeited to the city shall be used only for the cost of programs whose purpose is to divert the city's solid waste from landfill disposal. Any person violating any provision of this article is guilty of an infraction and upon conviction shall be punished by a fine not to exceed the value of twice the performance security for a project.

H. If the building official determines upon review of the debris recycling report that the permittee has not achieved reduction or recycling of a minimum of 50 percent by weight of debris resulting from the project, then the building official shall determine if the permittee has made a good faith effort to comply with this article. In making this determination, the building official shall consider the documented efforts of the permittee to reduce and/or recycle debris, the availability of markets for the debris disposed, the size of the project, and any circumstance beyond the control of the permittee. If the building official determines that the permittee has made a good faith effort to comply with this article, then the full performance security, if applicable, shall be released to the permittee. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.5)

6.15.650 Standards, guidelines, and criteria.

The building official may establish and/or adopt standards, guidelines, and criteria consistent with this article and reasonably necessary to achieve the objectives of this article. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.6)

6.15.660 Inspections.

The building official may make such inspections as he/she may deem necessary to determine permittee's compliance with this article. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.7)

6.15.670 Severability.
If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this article or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this article or any part thereof. The city council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this article irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this article are declared to be severable. (Ord. 951 § 1; Ord. 1024 § 1 (Exh. A); Ord. 1064 § 1 (Exh. A). Code 1997 § 8-50.8)

Article VIII. Single Room Occupancy (SRO) Program

6.15.675 Purpose.*
The purpose of this article is to address the shortage of decent, safe, sanitary and affordable rental housing options for low-income persons in the city. Hotels have historically provided affordable rental options of last resort for low-income persons. This article enables hotels to rehabilitate units that do not meet minimum building, housing and property maintenance code standards so as to provide safe, habitable rental units for low-income persons. This article establishes development, design and maintenance standards so as to preserve and enhance the quality of life for residents of the city living within such units. (Ord. 1088 § 1 (Exh. B))

*Code reviser's note: Ordinance 1088 adds the provisions of this section as Section 6.15.670. The section has been editorially renumbered to prevent duplication of numbering.

6.15.680 Definitions.
"Habitable floor area" includes living rooms, bedrooms, entryways and other common areas, but does not include bathrooms, kitchens, storage spaces or mechanical/electrical areas.

"Lodging property" includes hotels, motels, bed and breakfasts, lodging houses, lodging facilities, or similar properties.

"Single room occupancy property" or "SRO property" means any building with one or more rooms which are (1) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for sleeping purposes by tenants, which is or may be the primary residence of such tenants, or (2) intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for periods greater than 29 days.

"SRO unit" means any room, rooms, or units of a lodging property used for SRO property purposes.

"Transient lodging" is the use of a lodging property by guests of such lodging property who stay, sleep and/or occupy any rooms within said lodging property for 29 days or less. (Ord. 1088 § 1 (Exh. B))

6.15.690 Application.
This article applies to lodging properties with at least one SRO unit and does not apply to lodging properties used entirely for transient lodging purposes. Pursuant to this article, all lodging properties are either required to obtain a South Lake Tahoe SRO permit or pay the South Lake Tahoe transient occupancy tax ("TOT") based upon all gross receipts and monies collected for the letting of rooms within said lodging property. (Ord. 1088 § 1 (Exh. B))

6.15.700 Transient occupancy tax.
SRO units shall be exempt from TOT except that SRO units subject to this article but in use as transient lodging are subject to South Lake Tahoe TOT and shall comply with all TOT reporting requirements as set forth in the South Lake Tahoe City Code. (Ord. 1088 § 1 (Exh. B))

6.15.710 SRO permits.
A. All lodging properties with SRO units shall obtain from the city of South Lake Tahoe development services department a South Lake Tahoe SRO permit (SRO permit).

B. SRO permits shall be obtained prior to use of any room, rooms or units of lodging properties for SRO purposes.

C. Lodging properties with SRO units existing upon the effective date of the ordinance codified in this article shall have until 30 days after the effective date of the ordinance codified in this article to submit a completed SRO permit application. Lodging properties without existing SRO units upon the effective date of the ordinance codified in this article may apply for an SRO permit at any time, but no less than 30 days prior to letting SRO units.

D. Permit applications shall include the following properly completed forms and materials:

1. South Lake Tahoe SRO permit application which shall include a development design and maintenance plan.

2. Proof that lodging property is in compliance with its business and professions tax and TOT obligations.

E. SRO permits shall provide a 12-month period within which permittees may complete all development, design and maintenance standards required by this article. The building official or his or her designee (referred to herein as the building official) may grant extensions to this 12-month period where he/she deems such extensions appropriate. (Ord. 1088 § 1 (Exh. B))

6.15.720 Fees.

A. SRO Permit Fee. A one-time fee in an amount set forth by separate resolution of the city council shall be required for the submission of all SRO permit applications.

B. SRO Annual Service Fee. An annual fee in an amount set forth by separate resolution of the city council shall be assessed for all SRO rooms. This annual service fee shall cover the operational costs of the periodic SRO health and safety inspections as set forth more fully in SLTCC 6.15.750. The annual service fee shall be collected at the same time as payment of the lodging property's business and professions tax. Should the lodging property fail to timely pay its annual service fee, the city shall be permitted to recover it, plus accrued interest and penalties, utilizing any and all remedies provided by law including but not limited to nuisance abatement and municipal tax lien. Failure to pay the annual service fee shall be deemed a violation of this article.

C. Reinspection Fee. Upon any inspection of a lodging property subject to this article, the building official may instruct the owner of the lodging property to perform work, take action, or refrain from action to meet the development, design, and maintenance standards set forth in this article and by other applicable laws. If the building official determines that such work, action, or inaction has not been accomplished, the lodging property shall be assessed a reinspection fee in an amount set forth by separate resolution of the city council. Should the lodging property fail to timely pay said re-inspection fee, the city shall be permitted to recover it, plus accrued interest and penalties, utilizing any and all remedies provided by law including but not limited to nuisance abatement and municipal tax lien. Failure to pay the reinspection fee shall be deemed a violation of this article. (Ord. 1088 § 1 (Exh. B))

6.15.730 Design and development standards.

SRO properties shall meet the following design standards:

A. SRO Units.

1. Designation. SRO property owner shall designate specific rooms as SRO units. Said designation cannot change without an amendment to SRO property's SRO permit.

2. Bathroom. Shall contain a bathroom facility, with a door for privacy, a lavatory (sink), toilet and bathtub or shower.

3. Efficiency Kitchen. Efficiency kitchen facilities shall exist in each SRO unit that does not have access to a common kitchen (as set forth in subsection (B)(1) of this section). Kitchens shall contain:

a) A refrigerator with freezer.

b) A two burner stove and/or cook top and/or microwave.

c) A kitchen or bar sink.

d) Countertop space of at least 30 inches.

e) Sufficient electrical capacity to accommodate such facilities.

4. Habitable Floor Area.

a) For a single occupant a minimum habitable floor area of 120 square feet.

b) For two occupants a minimum habitable floor area of 170 square feet.

c) For three occupants a minimum habitable floor area of 220 square feet.

d) For four occupants a minimum habitable floor area of 270 square feet.

e) The permissible number of room occupants shall be capped at no more than four persons.

5. Exterior Doors. Exterior doors of SRO units shall meet standards for exterior door rating.

B. SRO Properties.

1. Common Kitchen Facilities. Shared kitchen space shall exist to serve all SRO units that do not possess a kitchen. Common kitchens shall contain:

a) A full size range with four stove burners and an oven.

b) A full size refrigerator with freezer for every six SRO units.

c) A full size microwave oven.

d) A full size kitchen sink with garbage disposal.

e) At least 10 feet of countertop space for food preparation.

f) Lockable storage cabinets a minimum of two by two by two feet for each SRO unit that does not possess independent kitchen facilities.

2. Trash Enclosure. An SRO property shall provide a three-sided trash enclosure or solid screening of the dumpster from public view.

3. Sewage. All sewer units shall be verified and/or permitted by South Tahoe public utility district or the appropriate provider.

4. Electrical. All SRO properties shall meet electrical service requirements that comply with all applicable laws and are subject to approval of the building official.

5. ADA Compliance. All SRO properties that make alterations or additions shall comply with the California Building Code, Section 11 B-202, Existing Building and Facilities, and Section 11 B-224, Transient Lodging and Guestrooms.

C. Signage.

1. Proof of SRO permit shall be placed in a conspicuous place in the lobby or other common area of the lodging property such as a laundry room.

2. All SRO units must have an exterior placard containing the following information:

a) Statement that room or unit has been designated as an SRO unit.

b) Name of hotel/motel.

c) Address of hotel/motel.

d) Room number.

e) Approved number of occupants.

f) Contact information of city building department to which complaints may be directed.

D. SROs shall meet all other building requirements for residential building units as set forth in the South Lake Tahoe City Code and all other applicable laws. (Ord. 1088 § 1 (Exh. B))

6.15.740 Maintenance standards.
In order to avoid a substantial risk to health and safety, affected residential rental dwellings shall meet the following interior/exterior and site maintenance standards:

A. All parking areas shall be well maintained, including striping and landscaping.

B. All landscaped and non-landscaped areas shall be in compliance with standards set forth in the SLTCC or other applicable laws.

C. Common kitchen areas shall be kept clean and well maintained. (Ord. 1088 § 1 (Exh. B))

6.15.750 Inspections.
A. Inspections. The building official may inspect all permitted SRO properties and SRO units to determine whether such facilities and units comply with conditions of approval and all other applicable laws. Inspections may be performed annually, or more frequently where the building official determines that the SRO property or SRO unit poses a substantial risk to health and safety or violations of this article exist.

B. Inspection Standards. When inspections are made, SRO properties and SRO units shall be required to be in conformance with the standards in effect at the time the facility or unit was permitted, as well as any additional standards mandated by law.

C. Notification and Access.

1. A letter of intent to inspect an SRO property shall be mailed and emailed, when possible, to the owner of the SRO property stating the date and time of inspection and shall provide 14 days' notice of said inspection. An inspection checklist will be mailed with the letter.

2. It shall be the responsibility of the SRO property owner to notify the tenants, residents and inhabitants of the inspection. The city shall be ensured access to all SRO units and shared facilities throughout the inspection.

3. In the event an owner or tenant in possession of the property to be inspected refuses access to said property, the city attorney or district attorney is authorized to obtain from a court of competent jurisdiction any warrant necessary to cause the inspection to take place.

D. Voluntary Inspections. Nothing herein shall prevent an owner of a lodging property or a tenant, resident or inhabitant from requesting an inspection at any time for the purpose of determining whether any and all parts of the lodging property comply with this article. Voluntary inspections shall not be subject to the inspection fees set forth by SLTCC 6.15.720. Where violations of this article are discovered during a voluntary inspection, fines shall not be assessed if said violations are corrected within three months of the date of inspection.

E. Reduced Inspections. Lodging properties with SRO unit(s) that have been permitted under this article for a minimum of three successive years and which have complied with all elements of this article shall be eligible for reduced inspections and reduced SRO fees provided the lodging property meets the following standards and requirements set forth by the SLTCC or other agency standards:

1. Defensible space standards.

2. Dumpster enclosures.

3. Landscaping and drainage standards. (Ord. 1088 § 1 (Exh. B))

6.15.760 Violations.

A Any and all violations of this article shall be subject to the city's administrative citation procedures as set forth in SLTCC Title 2.

B. Any/all practices intended to evade compliance with this article shall be deemed a violation thereof.

C. Residents and inhabitants of SRO units shall not be moved to another unit so as to deprive such residents, tenants and inhabitants of the rights conferred by this article.

D. Relocation of Tenants. If any SRO unit is found to be unsafe to occupy, due to imminent danger to health and safety of the resident(s), the costs and expenses of relocation of any tenant from that unit shall be the responsibility of the owner, pursuant to the provisions of Health and Safety Code Section 17975 et seq.

E. The following constitute violations of this article:

1. Verifiable complaints of noncompliance with the standards set forth in this article.

2. Failure to obtain an SRO permit where a permit is required.

3. Failure to pay SRO fees, TOT, and/or business and professions tax upon such fees and taxes becoming due.

4. Permissible use of rooms and/or units in a lodging property for a period greater than 29 days without having obtained an SRO permit and without meeting the design, development and maintenance standards set forth by this article.

5. Failure to accommodate inspections authorized by this article. (Ord. 1088 § 1 (Exh. B))

6.15.770 Tourist accommodation units.

All SRO units shall remain tourist accommodation units (TAUs) as set forth by TRPA's Code of Ordinances, unless converted from a TAU by regulations or means other than this article. (Ord. 1088 § 1 (Exh. B))

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 20

Agenda Item: Ordinance Increasing City Council Compensation (First Reading)

Executive Summary: City Council is eligible for an increase in compensation of up to 5 percent for each calendar year from the operative date of the last salary adjustment (January 23, 2020) following the November 8, 2022 election, when three Council members will begin new terms of office. The current City Council salary is $1,147.27 per month. If the suggested increase is approved, the City Council salary would be $1,264.86 beginning on January 23, 2023.

Requested Action / Suggested Motions: Either Pass a Motion to: 1) Hold a first reading (by title only) of an Ordinance Increasing the City Council Compensation to $1,264.86 per month, effective January 23, 2023, and refer second reading and adoption to the November 1, 2022 meeting; 2) Make no changes to the current compensation; or 3) Direct staff to bring back a revised Ordinance increasing compensation by a lower amount.
Responsible Staff Member: Susan Blankenship, City Clerk

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Reviewed and Approved By:
Olga Tikhomirova, Finance Director
Heather Stroud, City Attorney

Attachments:

01-Staff Report City Council Compensation.docx
02-Ordinance-City Council Compensation.docx
03-ORD 2020-1149 Ordinance Increasing City Council Compensation.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Ordinance Increasing City Council Compensation (First Reading)

Location: Citywide

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Background: The process for increasing City Council compensation is set forth by Sections 36516 and 36516.5 of the California Government Code:

Government Code Section 36516(a)(4) The salary of council members may be increased beyond the amount provided in this subdivision by an ordinance or by an amendment to an ordinance, but the amount of the increase shall not exceed an amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted. No ordinance shall be enacted or amended to provide automatic future increases in salary.

Government Code Section 36516.5. A change in compensation does not apply to a council member during the council member's term of office. This prohibition shall not prevent the adjustment of the compensation of all members of a council serving staggered terms whenever one or more members of the city council becomes eligible for a salary increase by virtue of the council member beginning a new term of office.

The last City Council salary increase was a five percent increase approved by Ordinance No. 2020-1149 on October 20, 2020. The current City Council salary is $1,147.27 per month.

Issue and Discussion: City Council is eligible for an increase in compensation of up to 5 percent for each calendar year from the operative date of the last salary adjustment following the November 8, 2022, election, when three Council members will begin new terms of office.

City Council may choose to: a) make no changes to the current compensation, b) increase compensation by 5 percent for each calendar year from the operative date of the last adjustment of the salary, or c) increase compensation by a lower amount. The attached ordinance is drafted to increase compensation by five percent for each calendar year from the operative date of the last salary adjustment, which would increase the monthly City Council salary from $1,147.27 to $1,264.86 per month.

Any salary increase would be effective January 23, 2023, 2 years from the date of the last salary adjustment.

Financial Implications: The total cost increase for 2022/2023 is $5,715 and is not currently included in the 2022-2023 budget and will need to be allocated from the undesignated general fund balance if approved.

Environmental Considerations: The increase to City Council Compensation is exempt from CEQA under State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). Section 15061(b)(3) of the CEQA Guidelines states that an activity is covered by the commonsense exemption that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where is can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA review.

Policy Implications: An increase of City Council compensation is consistent with the California Government Code.

Ordinance 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

November 1, 2022

An Ordinance increasing City Council compensation to $1,264.86 per month

(Replacing Ordinance 2020-1149)

FINDINGS

A. Compensation for members of the City Council shall be established by ordinance in accordance with provisions of Sections 36516 and 36516.5 of the California Government Code as such provisions now exist or may thereafter be amended.
B. The salary of City Council members may be increased by an amount equal to five percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance is enacted.
C. The last City Council salary increase was a five percent increase, to $1,147.27 per month, approved by Ordinance 2020-1149 on October 6, 2020 (effective January 23, 2021).
D. In accordance with the Government Code, City Council desires to increase its salary by five percent for each calendar year from the operative date of the last adjustment in 2020, for a total of $1,264.86 effective after the next City Council election.

Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:

SECTION 1.

1. Each member of the city council shall receive as salary the sum of $1,264.86 per month. Such salary shall be payable at the same time and in the same manner as salaries are paid to other officers and employees.

2. The 2022-2023 adopted budget is revised and the allocation of undesignated general fund balance in the amount of $5,715 is authorized to cover this expense.

SECTION 2. This Ordinance shall become effective on January 23, 2023.

Adopted by the City of South Lake Tahoe City Council on November 1, 2022 by the following vote:

Yes:
No:
Abstain:
Absent:

_____ Date:_____
Devin Middlebrook, Mayor

Attest:

_____
Susan Blankenship, City Clerk

First Reading: October 4, 2022
Published: October 7, 2022
Second Reading: November 1, 2022
Effective: January 23, 2023

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Ordinance 2020-1149

Adopted by the City of South Lake Tahoe
City Council

October 6, 2020

An Ordinance increasing City Council compensation to $1,147.27 per month

FINDINGS

A. Compensation for members of the City Council shall be established by ordinance in accordance with provisions of Sections 36516 and 36516.5 of the California Government Code as such provisions now exist or may thereafter be amended.
B. The salary of City Council members may be increased by an amount equal to five percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance is enacted.
C. The last City Council salary increase was a five percent increase, to $1,042.97 per month, approved by Resolution 2018-008 on January 23, 2018.
D. In accordance with the Government Code, City Council desires to increase its salary by five percent for each calendar year from the operative date of the last adjustment in 2018, for a total of $1,147.27 effective after the next City Council election.

Now, Therefore, the City Council of City of South Lake Tahoe does ordain as follows:

SECTION 1.

1. Each member of the city council shall receive as salary the sum of $1,147.27 per month. Such salary shall be payable at the same time and in the same manner as salaries are paid to other officers and employees.
2. The 2020-2021 adopted budget is revised and the allocation of undesignated general fund balance in the amount of $5,070 is authorized to cover this expense.

SECTION 2. This Ordinance shall become effective on January 23, 2021.

Adopted by the City of South Lake Tahoe City Council on October 20, 2020 by the following vote:

Yes: Bass, Collin, Laine and Middlebrook
No: Wallace

DocuSigned by:
Jason
36T96714O8A24A2...
Jason Collin, Mayor

Date: 10/21/2020

Attest:
DocuSigned by:
...
Susan Blankenship, City Clerk

First Reading: October 6, 2020
Published: October 9, 2020
Second Reading: October 20, 2020
Effective: January 23, 2021

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 21

Agenda Item: Resolution Increasing City Treasurer Compensation

Executive Summary: Following past practice, the increase in City Treasurer compensation has been consistent with the increase of City Council compensation. The attached resolution is drafted to increase compensation by five percent for each calendar year from the operative date of the last salary adjustment, which would increase the monthly City Treasurer salary from $1,147.27 to $1,264.86, to be effective on January 23, 2023.

Requested Action / Suggested Motions: City Council may either: 1) Pass a Resolution increasing City Treasurer compensation to $1,264.86 per month, effective January 23, 2023; 2) Pass a Resolution increasing City Treasurer compensation by a lower amount; or 3) Make no changes to the current compensation.
Responsible staff Member: Susan Blankenship, City Clerk

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Reviewed and Approved By:
Olga Tikhomirova, Director of Finance
Heather Stroud, City Attorney

Attachments:

01-Staff Report City Treasurer Compensation.docx
02-Resolution - City Treasurer Compensation.docx
03-Res 2020-091 Compensation Increase City Treasurer.pdf

City of South Lake Tahoe
Report to **City Council**

Meeting Date: October 4, 2022

Title: Resolution Increasing City Treasurer Compensation

Location: Citywide

Responsible Staff Member: Susan Blankenship, City Clerk (530) 542-6005

Background: The process for increasing City Treasurer compensation is set forth by Section 36517 of the California Government Code and Section 2.05.040 of the City Code:

Government Code Section 36517 The city clerk and the city treasurer shall receive, at stated times, a compensation fixed by ordinance or resolution.

City Code Section 2.05.040 B. Salaries and benefits of all other elected and appointed officers shall be as set forth by separate resolution of the city council.

The last City Treasurer salary increase was a five percent increase approved by Resolution No. 2020-091 on October 6, 2020. The current City Treasurer salary is $1,147.27 per month.

Issue and Discussion: Following past practice, the increase in City Treasurer compensation has been consistent with the increase of City Council compensation.

City Council may choose to: a) make no changes to the current compensation, b) increase compensation by 5 percent for each calendar year from the operative date of the last adjustment of the salary, or c) increase compensation by a lower amount. The attached resolution is drafted to increase compensation by five percent for each calendar year from the operative date of the last salary adjustment, which would increase the monthly City Treasurer salary from $1,147.27 to $1,264.86 per month.

To remain consistent with past practice, City Treasurer compensation increase will be effective January 23, 2023, 2 years from the date of the last salary adjustment.

Financial Implications: A total increase in City Treasurer compensation in the 2022/2023 Fiscal Year is amounting to $1,065 and may be allocated from general fund undesignated excess reserves into payroll line items in the City Treasurer account 100-01516-410xx .

Environmental Considerations: The increase to City Treasurer Compensation is exempt from CEQA under State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). Section 15061(b)(3) of the CEQA Guidelines states that an activity is covered by the commonsense exemption that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where is can be seen with certainty that there is no possibility that the

activity in question may have a significant effect on the environment, the activity is not subject to CEQA review.

Policy Implications: An increase of City Treasurer compensation is consistent with the California Government and City Code.

Resolution 2022-XXX

Adopted by the City of South Lake Tahoe
City Council

October 4, 2022

Increasing City Treasurer compensation to $1,264.86 per month

BACKGROUND

A. The process for increasing City Treasurer compensation is set forth by Section 36517 of the California Government Code and Section 2.05.040 of the City Code.

B. The last City Treasurer salary increase was a five percent increase approved by Resolution 2020-091 on October 6, 2020 (effective January 23, 2021).

C. The current City Treasurer salary is $1,147.27 per month.

D. Following past practice, the increase in City Treasurer compensation has been consistent with the increase of City Council compensation.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Increases City Treasurer compensation by five percent for each calendar year from the operative date of the last salary adjustment, which would increase the monthly City Treasurer salary from $1,147.27 to $1,264.86 per month.
2. Consistent with past practice, City Treasurer compensation increase will be effective January 23, 2023, 2 years from the date of the last salary adjustment.
3. Approves the increase of $1,065 to the Fiscal Year 2022-2023 adopted budget in account 100-01516-410xx.

Adopted by the City of South Lake Tahoe City Council on October 4, 2022 by the following vote:
Yes:
No:
Absent:
Abstain:

_____ Date:_____

Devin Middlebrook, Mayor

Attest:

_____

Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

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Resolution 2020-091

Adopted by the City of South Lake Tahoe
City Council

October 6, 2020

Increasing City Treasurer compensation to $1,147.27 per month

BACKGROUND

A. The process for increasing City Treasurer compensation is set forth by Section 36517 of the California Government Code and Section 2.05.040 of the City Code.

B. The last City Treasurer salary increase was a five percent increase approved by Resolution No. 2018-008 on January 23, 2018.

C. The current City Treasurer salary is $1,042.97 per month.

D. Following past practice, the increase in City Treasurer compensation has been consistent with the increase of City Council compensation.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Increases City Treasurer compensation by five percent for each calendar year from the operative date of the last salary adjustment, which would increase the monthly City Treasurer salary from $1,042.97 to $1,147.27 per month.
2. Revise the 2020-2021 adopted budget and authorize the allocation of undesignated general fund balance in the amount of $1,014.
3. Consistent with past practice, City Treasurer compensation increase will be effective January 23, 2021, 2 years from the date of the last salary adjustment.

Adopted by the City of South Lake Tahoe City Council on October 6, 2020 by the following vote:
Yes: Bass, Collin, Laine and Middlebrook
No: Wallace

DocuSigned by:
Jason
3679671408A34A2...
Jason Collin, Mayor

Date: 10/6/2020

Attest:
DocuSigned by:
2D6FDBDD39A94AF...
Susan Blankenship, City Clerk

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

City of South Lake Tahoe

Agenda Item Executive Summary

Joe Irvin, City Manager

Meeting Date: October 4, 2022
Agenda Item #: 22

Agenda Item: Agenda Planning Calendar

Executive Summary:

Requested Action / Suggested Motions: A Councilmember may request that an item be placed on a future agenda. Upon the support of one (1) additional Council Member, direction shall be given to the City Manager to calendar the item for a convenient future agenda, but no sooner than the second meeting after the request was made, and/or modify the Agenda Planning Calendar as desired.
Responsible Staff Member: Joseph Irvin, City Manager

Responsible Staff Member:

Reviewed and Approved By:

Attachments:

APC - 09 28 2022.pdf

2022 Agenda Planning Calendar (Updated 09 28 2022)

Department		Agenda Item	Agenda Section
Nov. 1, 9 a.m.	**City Clerk**	Ord Increasing City Council Compensation (Second Reading)	
		Approval of Solicitation for Applications to Boards & Commissions	
	Dev Services	Plan Review Services PSA	
		Event permitting guidelines	
	Finance	Budget Carry-Forward	Consent
	Fire	LHMP Adoption	
	Police	Discussion on Potential Gun Safety Measures	NB
	Public Works	Broadband Master PlanReview & Discussion	
		Title VI Plan Adoption	
		Johnson Blvd Underground Utility District	PH
		Rec Center Award - Phase II	
Nov. 15, 5:30	**PD/CM/PR/DS**	Commission Annual Reports	
	City Attny/PW	Liberty Utilities Franchise Agreement	
	Dev Svs/Fire	Local Hazard Mitigation Plan and General Plan Amendment	
		California Building Code (Second Reading)	Consent

2022 Agenda Planning Calendar (Updated 09 28 2022)

		3900/3908 Lake Tahoe Blvd DDA	UB
	Finance	TID Annual Report	
		Investment Portfolio Report – September 30, 2022	Consent
		FY 2021-22 Quarterly Fin. Status Report – Quarter Ending 9/2022	Consent
Dec.13, 9 a.m.	**City Clerk**	Resolution Certification of Election Results	
		City Council Re-Organization	
		Oath of Office	
		2023 Meeting Schedule	
		City Council Assignments to Boards and Commissions	
		League - New Mayors and Council Members Attendance	
		City Employee Recognitions	
	Pub Works	California Tahoe Conservancy Proposition 1 Grant Funding	Consent
		Bijou Area Erosion Control Project CFD Annual Report	Consent
		Renewal of EDC License Agreement for stormwater basin	Consent
Jan-23	**Dev Services**	Housing Fund Revenue Feasibility Study	
	Pub Works	Bijou Creek Park Project Update	

2022 Agenda Planning Calendar (Updated 09 28 2022)

Unscheduled/Pending	
City Attorney	Parking Garage License Agreement with Verizon
City Attny/PW	Undergrounding Utilities
	Amendments to Small Cell Policy
City Clerk	Records Management Policy (Updated)
	Policy - Use of Personal Devices for City Business
	City Council Protocol Updates
City Manager	SW Gas Prestentation Renewable Energy Goals
	Tesla Contract
	Customer satisfaction survey(s)
Dev Services	Inclusionary housing ordinance
	Amendment to PLHA Grant Use
	TCAP Amendment – Montreal
	Plan Area Statement Update for Tourist Accommodation Uses
	PLHA Moderate Income Homebuyer Administration PSA

2022 Agenda Planning Calendar (Updated 09 28 2022)

	Plan Area Statement 111 amendment
	Single Room Occupancy Program Amendments
	Outside Eating Code Review (coverage, seating, parking etc)
Fire	Weed abatement/nusance Program - Defensable Space
Parks & Rec	Bijou Park Master Plan
	Parks Foundation MOU
	Bijou Golf Course "Rock the Lake" Event and Review
Public Works	Award Contract PD - Community Recource Center Renovations
	SEED Solar Photovoltaic Project PPA
	Award - James and Eloise Drainage Improvement Project Phase 1
	Airport Deferred Maintenance Plan