



STAFF REPORT

DATE: April 15, 2024

TITLE:

Housing Study and Action Plan Draft Report Introduction

RECOMMENDATION:

No action today.

BACKGROUND:

The Tahoe Donner Association employs a year-round and seasonal workforce to maintain the Association's facilities, land and support its numerous operations. In recent years, workforce housing (typically defined as housing affordable to households earning between 60 and 120 percent of Area Median Income, or AMI) in mountain resort communities such as Tahoe Donner's have become increasingly constrained. New in-migration, rapidly rising costs of living, and a housing market dominated by vacation homes and short-term rentals exacerbate the crisis. Like other major employers in high-cost and low-supply mountain resort communities, the lack of affordable housing affects the Association's ability to attract and retain employees. Attracting and retaining an effective and dynamic workforce is a key goal in TDA's most recent 5-Year Strategic Plan, which coordinates the Association's efforts through 2026 to cultivate a vibrant mountain community with well-maintained facilities and recreational programming.

Tahoe Donner retained Economic & Planning Systems, Inc. ("EPS") to conduct a housing study and prepare a housing action plan that estimates the scale of need aligning with potential development concepts, programs, partners, and tools – all within the context of current strategies, pending projects, and associated requirements. The Tahoe Donner Needs Assessment and Housing Action Plan was designed to prioritize and guide the Association's actions over time so that the Association may focus on its core mandate, which is to serve the membership through programs and services.

The EPSs scope of work consisted of four phases:

- Phase I: Workforce Needs Assessment
 - Task 1.1 Project Initiation and Ongoing Project Management
 - Task 1.2 Interviews with Key TDA Staff to Help Understand Critical Issues
 - Task 1.3 Initial Interview with Potential Regional Partners and Major Employers
 - Task 1.4 Craft and Distribute Employee Survey
 - Task 1.5 Workforce Needs Assessment Summary
- Phase II: Potential Concepts, Programs, Partners, and Tools
 - Task 2.1 Matrix of Potential Concepts, Programs, Partners, and Tools
- Phase III: Preliminary Opportunity Sites Analysis
 - Task 3.1 Evaluate Key TDA-owned Sites



- Phase IV: Housing Action Plan
 - Task 4.1 Priority Concepts, Programs and Tools
 - Task 4.2 Workforce Housing Action Plan Report

This staff report presents the Tahoe Donner Workforce Housing Needs Assessment and Action Plan (“Draft Report”) to the Board of Directors and members as a first reading prior to a future board meeting where the Board will hear a presentation on the Draft Report, have discussion, and the membership will be provided a comment period to ask questions or make comments. The Board may, at that time, choose to adopt the report, or provide feedback and adopt the report as proposed or modified at a later date.

ANALYSIS:

Workforce Housing Needs Assessment and Action Plan Development

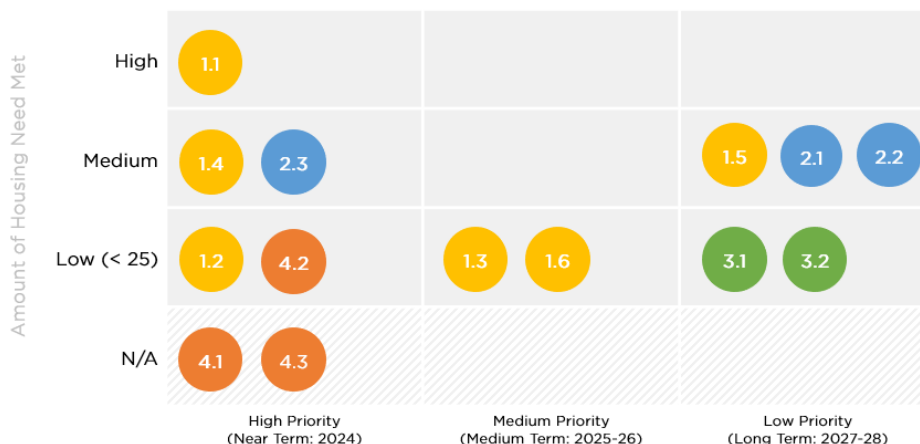
EPS completed multiple tasks to assess workforce housing needs, gather data about the housing preferences and issues facing TDA employees, and develop strategies to align with the needs outlined in the four phases. They consolidated all the ideas and strategies suggested and distilled them into four overarching objectives to meet TDA’s workforce housing needs. Each objective has several actions that TDA could implement. EPS organized the actions into a matrix with details on existing and future resources and opportunities for implementation. See Exhibit A.

The objectives and actions are as follows:

- Objective 1: New Construction
 - 1.1 Build flexible-format, dorm-style housing on TDA-owned site
 - 1.2 Renovate or expand capacity of the Chalet House
 - 1.3 Encourage ADU construction on TDA member-owned sites and negotiate beneficial use agreements
 - 1.4 Assist commercial property owners with building residential or mixed-use projects on property with TDA area and negotiate beneficial use agreement
 - 1.5 Identify and purchase commercial and or multi-residential lots to build housing
 - 1.6 Build tiny home village on TDA-owned site
- Objective 2: Purchase or Lease Existing Housing
 - 2.1 Purchase condos and single-family homes as available
 - 2.2 Purchase or renovate existing hotels or apartments for employee housing as available
 - 2.3 Continue current master leasing for international and seasonal staff
- Objective 3: Homebuyer/Renter Financial Support
 - 3.1 Employee vesting into downpayment assistance program
 - 3.2 Rental assistance or housing stipend offer for employees
- Objective 4: Housing Education, Information, and Access
 - 4.1 Education and information sharing of resources for employees
 - 4.2 Match TDA homeowners with available housing to employees seeking housing
 - 4.3 Streamline regulatory burdens for developers to build workforce housing



The prioritization of the actions identified in the Draft Report are as follows:



As TDA decides which actions are most important to prioritize and spend time on in the short term, it must consider the costs and benefits of each action and the level of financial and operating risk involved. While each of the strategies in the Draft Report are assigned a priority level, the implementation priorities by objective can be generally summarized as follows:

- **New Housing Construction:** Start planning for this in the near term and understand what is possible or supportable, such that newly constructed workforce housing at Tahoe Donner becomes available in a few years.
- **Purchase or Lease Existing Housing:** Opportunities for master leasing should be pursued as an interim solution to ensure that the most critical housing needs are met. And as opportunities arise to acquire existing properties.
- **Homebuyer or Renter Financial Support:** Use these strategies where needed to close the gap on housing need.
- **Housing Education, Information, and Access:** Due to the low financial costs and high impact of these strategies, they should be implemented as near-term priorities; partnerships with external agencies would be beneficial in connecting workers with potential housing opportunities.

Board of Directors Presentations

The Board of Directors received three progress presentations on the housing study (needs assessment and more) and action plan on February 24, 2023, May 26, 2023, and October 27, 2023. At the October 27 board meeting, EPS presented the draft action plan and strategy matrix and staff received Board feedback on the draft action plans for consideration of incorporation and/or to address as part of the 2023 Work Plan Goal.

Staff and EPS took the Board feedback and segregated it into what was achievable to address in the Draft Report, and what was deemed as future staff level work plan actions.





Future Staff Level Work Plan Actions

If the Workforce Housing Needs Assessment and Action Plan is adopted, the Administrative Services team will coordinate next steps through an internal work plan to address the Boards concerns provided at the October 27, 2024 Regular Board Meeting. Those items are listed below according to the Draft Report numerology for the four objectives and actions associated.

- 1.1 Further financial analysis of equivalent housing projects regionally or nationally in comparable areas and industries. Consider modular construction and corresponding financials.
 - Compare 1.1 to 2.2 for financial value
 - Combine 1.1 and 1.4
- 1.2 Additional evaluation of the Chalet House; its zoning, size of potential renovation or construction and an approximate number of beds, and cost analysis of construction or renovation.
- 1.4 Continue working with potential property developers on perspective projects. Work with developers on 4.3 regulatory burdens in TDA and the Town of Truckee.
- 1.6 Further analysis of the Campground site for feasibility, zoning, and development impacts on the site as well as on the campground's traditional use. Continued financial analysis of the total cost of a tiny home village, and review comparable sites nationally.
- 2.2 Identify and pursue potential community partners, to solve the regional issue.
- 2.3 Detailed financial analysis of current master lease program including staff time; pro forma prepared for Board review.
- 4.3 Support local developers willing to partner with TDA's objective to provide accessible workforce housing to TDA employees. Work with the Town of Truckee and TDA's Community Standards Office (CSO) to streamline regulatory burden.

OUTREACH:

Board of Directors meetings February 24, 2023, May 26, 2023, and October 27, 2023.

ALTERNATIVE:

No action today.

ATTACHMENTS:

Exhibit A: Draft Report: Tahoe Donner Workforce Housing Needs Assessment and Action Plan

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Reviewed By: *Annie Rosenfeld*, General Manager

Board Meeting Date: April 26, 2024

