

5.2 HOUSING AND POPULATION

This chapter describes the existing population and housing conditions at the Tahoe Shores Mobile Home Park as of January 2004 (the time in which the TRPA Notice of Preparation [NOP] for the project was circulated and the baseline conditions for the project), presents a description of applicable regulatory considerations, and identifies the potential environmental impacts that could result from each of the proposed alternatives, A through E. The 2000 Census is used to describe general demographic conditions associated with the mobile home park. Cumulative impacts are presented in Section 5.14.

5.2.1 REGULATORY BACKGROUND

The regulations that guide the evaluation of housing impacts include the Tahoe Regional Planning Agency (TRPA) Moderate Income Housing Ordinance, TRPA Affordable Housing Definition, TRPA Initial Environmental Checklist, and Nevada Revised Statutes.

TAHOE REGIONAL PLANNING AGENCY

TRPA Definitions of Affordable Housing and Moderate Income Housing

Chapter 2 of the TRPA Code of Ordinances defines affordable housing as:

Residential housing, deed restricted to be used exclusively for lower-income households (income not in excess of 80% of the respective county's median income) and for very low-income households (not to exceed 50% of the respective county's median income). Such housing units shall be made available for rental or sale at a cost that does not exceed the recommended state and federal standards. Each county's median income will be determined according to the income limits published annually by the Department of Housing and Urban Development. [Amended 9/25/96] For multi-person dwellings, the affordable housing determination shall be made using each resident's income and not the collective income of the dwelling.

Chapter 2 of the TRPA Code of Ordinances defines moderate incoming housing as:

Residential housing, deed restricted to be used exclusively as a residential dwelling by permanent residents with an income not in excess of 120% of the respective county's median income. Such housing units shall be made available for rental or sale at a cost that does not exceed the recommended state and federal standards. Each county's median income will be determined according to the income limits published annually by the Department of Housing and Urban Development.

Both of these definitions are based on the "respective county's median income." For the Beach Club on Lake Tahoe Project (Beach Club Project), the applicable median income is the Douglas County Median Family Income of \$63,900 for a four-person household, \$57,500 for a three-person household, \$51,110 for a two person household, and \$44,721 for a one person household (U.S. Department of Housing and Urban Development, January 2004).

The term "affordability," as used in both TRPA definitions, includes all associated housing costs, including rent and ownership costs, ownership financing, essential utilities, insurance, and taxes.

TRPA Moderate Income Housing Ordinance

The TRPA Moderate Income Housing Ordinance is defined in two sections of the TRPA Code of Ordinances: Section 41.2F and Section 43.2B. Chapters 41 and 43 of the Code are focused on Permissible Subdivisions and Subdivision Standards, respectively. As explained in detail below, TRPA regulations regarding moderate-income

housing apply when property is subdivided. Alternative A, the proposed project, and Alternative C, the Two Lot Multifamily Residential Alternative, would both result in subdivision of the project site, and would therefore require an evaluation of impacts under the TRPA Moderate-Income Housing Ordinance and mitigation for loss of moderate income housing. Alternative B, the Two-Lot Alternative, Single-Family Estates, and Alternative D, the No Project Alternative, would not result in subdivision of the project site and therefore the Moderate-Income Housing Ordinance would not apply to these two alternatives.

Section 41.2.F of the TRPA Code of Ordinances (Chapter 41, Permissible Subdivisions) states:

For purposes of the subdivision ordinances only (Chapters 40-49, inclusive), moderate income housing are residential units which are sold or rented at prices and rates affordable to households or tenants that earn not more than 120% of the applicable county median income. Moderate-income housing shall not include units with a rental rate that exceeds 30% of the tenant's monthly gross income. Subdivision projects shall be reviewed by TRPA Certified Local Jurisdiction Moderate-Income Housing Programs, for purposes of determining appropriate income and sales price limitations for the sales rate of moderate-income housing. In the absence of a certified local program, project proponents shall use the 4.2 multiplier, to be multiplied by 120% of median family income, to determine a maximum sales price for housing. Moderate-income units are subject to deed restriction, for long-term occupancy, at least 10 months in each calendar year, in accordance with Subsection 35.2.G.(3). The multiplier is subject to periodic amendment, to adjust for changes to median family income resulting in a numerical increase in the multiplier.

In addition, Section 43.2.B of the TRPA Code of Ordinances (Chapter 43, Subdivision Standards) states that:

Existing residential units which are moderate income housing, as defined by 41.2.F, shall not be subdivided unless mitigation is provided on a unit for unit basis for the loss of moderate income housing. Mitigation shall be in the form of construction of an equal number of moderate-income units, conversion of other structures to moderate income housing, restriction of subdivided units to moderate income housing units, or a combination of the above.

(1) To determine whether a unit is moderate-income housing, the applicant shall submit a rental/sale history for each unit for the previous five years. TRPA shall review the history and determine whether the unit has, on the whole, been available as moderate-income housing. TRPA shall use the appropriate state and federal data on median income and rental rates and mortgages for moderate to very low income households in making the determination. If a rental/sale history is unavailable or incomplete, an appraisal of the structure prepared by a qualified appraiser shall be submitted by the applicant.

(2) Restriction of subdivided units to moderate-income housing shall include recordation of deed restrictions or other covenants running with the land, limiting the rental rates and sale price to those which are affordable to households or tenants that earn not more than 120% of the applicable county median income.

TRPA Initial Environmental Checklist

Review of housing and population impacts using the TRPA Initial Environmental Checklist (IEC) is required for proposals that require approval through the issuance of a permit. The TRPA IEC requires the following examination of impacts to housing:

- ▶ Will the proposal decrease the amount of housing in the Tahoe Basin?
- ▶ Will the proposal result in the loss of housing for lower-income (80% of median family income) and very-low-income (50% or less of median family income) households?

For purposes of determining housing affordability under the IEC, ownership costs associated with purchase of a mobile home must be estimated. Ownership costs include the cost to acquire a mobile home unit in addition to other costs such as rent, essential utilities, insurance, and taxes. Affordability of mobile homes under the TRPA IEC relates to the mobile home park's general affordability to perspective owners, not necessarily current residents. It is a measure that determines whether the mobile home park provides an affordable housing option for the Lake Tahoe Basin.

With respect to population, the TRPA IEC requires a determination of whether the project would:

- ▶ Alter the location, distribution, density, or growth rate of the human population planned for the Basin?
- ▶ Include or result in the temporary or permanent displacement of residents?

Applicability of Moderate Income Housing Regulations to Mobile Homes

There are some difficulties in applying the Affordable or Moderate Housing definitions, Moderate Income Housing Ordinance, and the TRPA IEC to the proposed project and the existing Tahoe Shores Mobile Home Park. Many of the moderate income housing measures are not well suited for mobile home parks for the following reasons:

- ▶ Mobile home units are personal property, not real property; mobile homes have a useful life and they depreciate in value over time. The age, condition, and size of the mobile homes in the Tahoe Shores Mobile Home Park vary significantly.
- ▶ Based upon mobile home sales data, 82 existing mobile homes at the Tahoe Shores Mobile Home Park are over 30 years old, and are considered to be beyond their useful life (as defined by Marshall Swift Valuation Service). Therefore, these units have little economic value, making it difficult to apply affordability calculations.
- ▶ Mobile home financing is difficult to obtain in Nevada and terms can vary significantly.
- ▶ At the Tahoe Shores Mobile Home Park, mobile home owners rent spaces; they do not own the property.
- ▶ Availability of rental and sale history at the Tahoe Shores Mobile Home Park is limited. Until 2003, Tahoe Shores contained mostly owner-occupied mobile homes

NEVADA REVISED STATUTES

Nevada Revised Statutes (NRS 118B.177) define the obligations of a landlord before the closure of a mobile home park. The Statute requires the following:

- ▶ If a landlord closes a manufactured home park he shall pay the amount described in subsection 2 or 3, in accordance with the choice of the tenant.
- ▶ If the tenant chooses to move the manufactured home, the landlord shall pay to the tenant:
 - The cost of moving each tenant's manufactured home and its appurtenances to a new location within 100 miles from the manufactured home park; or
 - If the new location is more than 100 miles from the manufactured home park, the cost of moving the manufactured home for the first 100 miles, including fees for inspection, any deposits for connecting utilities, and the cost of taking down, moving, setting up and leveling the manufactured home and its appurtenances in the new lot or park.

- ▶ If the tenant chooses not to move the manufactured home, the manufactured home cannot be moved without being structurally damaged, or there is no manufactured home park within 100 miles that is willing to accept the manufactured home, the landlord:
 - May remove and dispose of the manufactured home; and
 - Shall pay to the tenant the fair market value of the manufactured home.
- ▶ Written notice of the closure must be served on each tenant in the manner provided in NRS 40.280, giving the tenant at least 180 days after the date of the notice before he is required to move his manufactured home from the lot.
- ▶ For the purposes of this section, the fair market value of a manufactured home and the reasonable cost of removing and disposing of a manufactured home must be determined by:
 - A dealer licensed pursuant to chapter 489 of NRS who is agreed upon by the landlord and tenant; or
 - If the landlord and tenant cannot agree pursuant to paragraph (a), a dealer licensed pursuant to chapter 489 of NRS who is selected for this purpose by the Division.

(Added to NRS by 1987, 931; A 1989, 1796; 1991, 2278; 2001, 1183; 2003, 2476).

5.2.2 AFFECTED ENVIRONMENT

Stateline is an unincorporated area (census-designated place [CDP]) of Douglas County, Nevada. The total population in the year 2000 in the Douglas County portion of Lake Tahoe was 6,734, and the population in Stateline CDP was 1,215 (Table 5.2-1). The majority of housing units (66.4%) in the Douglas County portion of Lake Tahoe are single-family units. Mobile homes, primarily located at Tahoe Shores Mobile Home Park, accounted for about 3% of the housing in the Douglas County portion of Lake Tahoe in 2000. Similar to most parts of the Lake Tahoe Basin, vacation and second home use accounts for a large portion of the Douglas County housing stock.

Occupied Housing Units	Zephyr Cove CCD*, Nevada	Kingsbury CDP, Nevada	Stateline CDP, Nevada
Total:	4,962	1,925	562
Owner-occupied units	1,948	806	140
Renter-occupied units	1,107	370	370
For Seasonal Vacation Use	1,597	666	11
Other Vacant	310	83	41
Total population in occupied housing units:	6,734	2,619	1,146
Owner occupied	4,335	1,857	320
Renter occupied	2,399	762	895

Source: U.S. Census Bureau, 2000, QT-H1, and QT-H3

* CCD: Census County Division. This is defined as a subdivision of a county that is a relatively permanent statistical area established cooperatively by the Census Bureau and state and local government authorities. It is used for presenting decennial census statistics in those states that do not have well-defined and stable minor civil divisions that serve as local governments.

The Tahoe Shores Mobile Home Park has a total of 155 mobile home spaces (Table 5.2-2). In the year 2000, Tahoe Shores had 105 owner-occupied mobile home units and 23 renter-occupied mobile home units. The balance of the 155 mobile home spaces (27) was occupied by vacation/second homeowners or they were vacant. Based on 2000 Census data, approximately 242 people lived full-time in the Tahoe Shores Mobile Home Park in the year 2000. An estimated 23 persons occupied the park on a part-time basis.

Household Size	Owner Occupied	Renter Occupied	Total Occupied Households	Total Persons in Occupied Units
1-person household	32	6	38	38
2-person household	55	11	66	132
3-person household	18	6	24	72
Total Households	105	23	128	242
Vacant/P.T Use				
Seasonal/Vacant (1)	27	-	27	23 (estimated)
Total Units/Spaces	132	23	155	265

Source: U.S. Census Bureau, 2000, STF 3, (1) Assumes 15 Vacant Units, 12 Occupied Part-Time and 1.89 Persons Per Households

Nearly all the owner-occupied housing units (89%) in Stateline in the year 2000 were one, two, or three person households. Based upon the 2000 Census estimates, all mobile home units in Tahoe Shores, both owner- and renter-occupied, contained one to three person households (Table 5.2-2). The majority of the 140 owner-occupied units in Stateline identified in Table 5.2-1 were mobile homes located in Tahoe Shores.

Tahoe Shores contains 155 mobile home spaces. As of February 2004, 150 spaces were occupied by mobile homes and five units were vacant needing repair or were uninhabitable (Tahoe Shores' rent roll). All mobile homes in Tahoe Shores are personal property owned by individual occupants, absentee owners, or Beach Club, Inc. As of January 2004, Beach Club, Inc. had acquired 45 units from previous owners in the park through purchase or abandonment of mobile home units. Beach Club, Inc. acquisitions increased to 60 units in October of 2004, 73 units in March of 2006, and as of November 1, 2007 Beach Club, Inc. had acquired a total of 90 units at Tahoe Shores. Of the remaining 58 owner occupied units, 36 units were occupied as full-time residences, 17 units were either rented or vacant, and 5 units had seasonal occupants as of November 1, 2007. The majority of the acquired units are two-bedroom single section mobile homes. The mobile homes acquired by Beach Club, Inc. are being used as temporary rental units to maintain the financial viability of the park. Table 5.2-3 summarizes the current inventory of units at Tahoe Shores.

5.2.3 ENVIRONMENTAL CONSEQUENCES AND RECOMMENDED MITIGATION MEASURES

CRITERIA OF SIGNIFICANCE

As describe above in Section 5.2.1, TRPA requires the review and discussion of housing and population impacts using the TRPA IEC. The IEC requires examination of the following issues:

- ▶ Will the proposal result in the loss of housing for lower-income (80% of median family income) and very-low-income (50% or less of median family income) households?

**Table 5.2-3
Summary of Current Conditions (January 2004) Tahoe Shores Mobile Home Park**

Total Spaces	155 units
Total Units	150 units
Vacant Spaces	5 units
Beach Club Ownership/Tahoe Shores	45 units (90 units November 2007)
Absentee Ownership	22 units
Absentee Vacation use	18 units
Employee Units	1 unit
Use other than Residential	1 unit
Units 30 year of age or Older	82 units
Units 25 years of age or Older	93 units
Single-wide units	67
Double-wide units	83

- ▶ Will the proposal result in the loss of moderate income housing (up to 120% of median family income) because of subdivision of the property?

For this EIS, it is assumed that if the proposed project alternatives, which contemplate a subdivision, result in a loss of low-income housing or moderate income housing, the impact would be considered significant and would require mitigation.

The IEC also requires examination of the following issues:

- ▶ Will the proposal decrease the amount of housing in the Tahoe Basin?
- ▶ Will the proposal alter the location, distribution, density, or growth rate of the human population planned for the Basin?
- ▶ Will the proposal include or result in the temporary or permanent displacement of residents?

No specific thresholds are provided against which significance may be determined for these three issues. Therefore, the effect of the project alternatives related to a general decrease in housing, displacement of residents and alteration of human population are disclosed in the impact assessment, below, but no significance determination is made. Furthermore, the loss of housing and displacement of residents associated with the Beach Club Project would result from closure of the Tahoe Shores Mobile Home Park. Closure of a mobile home park in Nevada is regulated by the Nevada Revised Statutes described in Section 5.2.1.

HOUSING ANALYSIS METHODOLOGY

The housing analysis is based upon 150 units because although there are 155 mobile home spaces at Tahoe Shores, as of February 2004 there were five vacant spaces. In addition to the five vacant spaces, approximately 22 mobile home units in the park have been used as vacation or second homes. Such housing has not been available as affordable or moderate income housing stock at Lake Tahoe. This analysis assumes that a total of 150 moderate income units may be affected by the project. TRPA Code of Ordinances Section 41.2.F requires moderate income housing to be occupied for at least 10 months. In 2000, there were five vacant spaces and 22 seasonally occupied units in the park. As a result, the estimate of 150 moderate income housing units affected by the project could be overstated; the number may actually be 128 units. However, the more conservative number of

150 units is used in this analysis to ensure that potential effects to moderate income housing are fully assessed and mitigated.

The valuation techniques used to analyze existing mobile homes in Tahoe Shores recognizes the declining values associated with older mobile home units. The value of the mobile home has an inverse relationship to the age of the unit: as the age increases, the economic value of the mobile home approaches zero. In some cases the economic value could be negative if the disposal costs exceed the value of the mobile home unit. Unlike conventional housing structures, the useful life of older mobile home units is difficult to extend with rehabilitation because of the structural components. As a result, any analysis of mobile homes for the purposes of determining moderate income housing must take into account not only the economic value of the unit, but also its useful life.

According to Marshall Swift Valuation Services (Appraiser Handbook), mobile homes of fair to average condition typically have a useful life of 25 years for single-wide units and 30 years for double-wide units. A significant number of mobile home units in the park exceed the recommended useful life. An examination of the park inventory ranked the vast majority of older mobile homes as being in poor to fair condition. Of the 150 total occupied mobile home units in the park, 82 units are 30 years of age or older and are beyond their useful life based upon Marshall Swift guidelines, and two units are in serious disrepair.

The housing values (i.e., the cost to purchase a mobile home) of the remaining 66 mobile homes in Tahoe Shores (150 occupied units - 82 beyond their useful life - 2 units in disrepair = 66 units) range from approximately \$27,000 to \$82,000, as determined by a review of mobile home sales data from the Nevada Division of Manufactured Housing and sales from Lake Tahoe area mobile home parks (Tahoe Verde Estates Sales Office 4/27/04 to 4/27/05). Because a mobile home park combines elements of both rental housing and ownership, the units are valued based not only on the cost to acquire a mobile home, but also rent, utilities, taxes, and insurance. This total estimate of housing costs was then used to determine if the mobile homes qualify as affordable or moderate income housing in accordance with the TRPA Code of Ordinances. Per the TRPA Code of Ordinances, Chapter 2, housing is considered affordable when not more than 30% of household income is used for housing related costs (acquisition, rent, taxes, insurance, and essential utilities). Households paying more than 30% of their income on housing are incurring a housing cost burden. The estimate of monthly gross housing costs is not based upon specific occupant households in Tahoe Shores but the cost generally incurred to acquire housing in Tahoe Shores. Table 5.2-4, below illustrates an estimated occupancy cost for a typical unit in the Tahoe Shores Mobile Home Park as of January 2004.

\$315/month	Loan Payment (PI) – \$28,000, LTV 95%, 12% for 15 years. Terms based upon interviews with Nevada lenders.
\$50/month	Taxes and insurance – 20-year-old maximum for insurance-State Farm Insurance and Douglas County Assessor Personal Property Tax.
\$225/month	Utility allowance – Section 8 Utility Allowance plus sewer and water for Tahoe Shores. NV.
\$725/month	Announced site rents in December 2003 (average)
\$1,315/month	Total Estimated Occupancy Cost for a Unit at Tahoe Shores

Low-Income Housing

As shown in Table 5.2-4, based on a monthly loan payment for a mobile home unit valued at \$28,000 and other monthly ownership costs, the average estimated occupancy cost at Tahoe Shores is \$1,315 per month. As shown in Tables 5.2-5 and 5.2-6 below, the average estimated monthly occupancy cost at Tahoe Shores exceeds the

affordable cost limits for affordable housing (up to 80% of median income). Therefore, none of the mobile home units at Tahoe Shores qualify as low-income housing.

Table 5.2-5 Douglas County Median Family Affordable Housing Costs Limits: 50% of Median Family Income		
Household Size	50% MFI	Affordable Housing Costs Limits
1 person	\$22,350	\$559/mo
2 person	\$25,550	\$639/mo
3 person	\$28,750	\$719/mo
4 person	\$31,950	\$799/mo

Source: MFI-US Dept. of Housing and Urban Development as of January 2004

Table 5.2-6 Douglas County Median Family Affordable Housing Costs Limits: 80% of Median Family Income		
Household Size	80% MFI	Affordable Housing Costs Limits
1 person	\$28,640	\$895/mo
2 person	\$32,720	\$1,022/mo
3 person	\$36,800	\$1,150/mo
4 person	\$51,120	\$1,278/mo

Affordable housing cost limits = (MFI*.8*.30)/12 months or (MFI*.5*.30)/12 months
Source: MFI-US Dept. of Housing and Urban Development as of January 2004

Moderate-Income Housing

Moderate-income housing cost levels for those earning not more than 120% of the Douglas County median family income (moderate income housing), adjusted for family size, are provided in Table 5.2-7.

Table 5.2-7 Low-Income and Moderate Income Housing Cost Levels Based on the Douglas County Median Family Income	
Household Size	Housing Cost Levels 120% of median
1 person	\$1,342/mo
2 person	\$1,534/mo
3 person	\$1,725/mo
4 person	\$1,917/mo

Source: U.S. Department of Housing and Urban Development 2004

Table 5.2-8, below, provides an estimate of the number of mobile homes at Tahoe Shores that qualify as moderate-income housing based on these 120% of median housing cost thresholds. The estimate is based on the 66 newer units in the park (1975 or newer and in good condition) and the distribution of households by size and corresponding affordability levels. Based upon the 2000 Census, one-person households at Tahoe Shores

occupied 30% of the units (45 units), two person households 52% (78 units), and three person households 18% (27 units).

Table 5.2-8 also shows the distribution levels of households by affordability level. For example, a mobile home unit below \$26,000 would meet the moderate housing affordability level for one, two, and three person households. Such a unit would be moderate-income housing for all (100%) households because the total occupancy costs would be below the affordability levels for all household sizes. Mobile home units with an estimated value between \$26,000 and \$41,000 would potentially be moderate-income housing for two and three person households. Approximately 70% of Tahoe Shores occupants were two and three person households in 2000. Finally, the mobile home’s estimated value corresponding to a three person household (\$41,000 to \$55,800) would be moderate income housing for 18% of the occupants. Mobile homes with an estimated value above \$41,000 would be in excess of the moderate housing affordability level established for one and two person households.

Only a limited number of mobile home units would meet the affordability levels for moderate income households, adjusted for household size. Two of the 66 newer mobile home units (1.5%) have an estimated equivalent mobile home value below \$26,000. Just over 39% of units (41 units) have a value between \$26,000 and \$41,000, and nearly 38% (10 units) had a value between \$41,000 and \$55,800. As shown in Table 5.2-8, the estimated number of moderate-income housing units (by size and affordability level) is the product of the total number of mobile homes (150) multiplied by column 2 (the percent of households at the moderate income level) multiplied by column 3 (the percent of units available by affordability level). Based on this analysis, there are 54 mobile home units at the Tahoe Shores Mobile Home Park that qualify as moderate income units.

Table 5.2-8 Moderate-Housing by Household Size and Affordability Level				
Household Size and Affordability Level	1	2	3	4*
	% of Tahoe Shores Households By Size- 2000 Census	% of Households at the Moderate Income Level	% of Units Available by Affordability Level	Estimated Number of Moderate Units By Household Size
1-person (<\$26,000)	30.00	100.00	1.5	2.3
2-person (\$26,000-\$41,000)	52.00	70.00	39.5	41.4
3-person (\$41,000-\$55,800)	18.00	18.00	37.9	10.3

* The estimated number of moderate income units by household size was calculated by multiplying 150 units by column 2 (the percent of households at the moderate income level) by column 3 (the percent of units available by affordability level).

NEVADA REVISED STATUTES

As described above, closure of the Tahoe Shores Mobile Home Park is regulated by the Nevada Revised Statutes (NRS 118B.177) described in Section 5.2.1. Except for Alternative D, the proposed Beach Club Project alternatives would be required to follow the Nevada Revised Statutes for the purchase and removal or compensation for relocation of existing mobile homes, before closure of Tahoe Shores Mobile Home Park. Because Beach Club, Inc. has purchased 90 of the units at Tahoe Shores, they have already implemented the requirements of the Nevada Revised Statutes and have assumed disposal liability for those 90 units. Beach Club, Inc. now rents the 90 units on month-to-month leases. The remaining 60 mobile homes would receive compensation (relocation or disposal) under NRS 118B.177 if Tahoe Shores is closed.

Upon closure of Tahoe Shores, it is reasonable to assume that some of the newer mobile home units would be relocated to other parks inside or outside the Tahoe Basin. The total number of relocated mobile homes could be as high as 30 units, based upon the age and condition of units and the ability to structurally withstand relocation.

It is also reasonable to assume that some of the existing park occupants may incur costs to remove their older mobile home unit from the park. This is because most mobile home parks will not accept older units, so it would be difficult to relocate to another park at time of closure. Secondly, the existing physical condition of older mobile homes makes it difficult to relocate without incurring damage to the unit during transit.

In the event that a mobile home cannot be moved, Nevada Revised Statutes require the owner of the park to pay the market value of the mobile as determined by a mobile home dealer less the disposal costs. Because of the age of many current units and unlikely acceptance at another park, many existing mobile homes units would be disposed and mobile home owners would receive monetary compensation equal to the market value of unit minus disposal costs. For some older units, the owners could be financially responsible for all or a portion of disposal costs if the value of the mobile home does not exceed the disposal costs. Disposal costs for most units would be approximately \$5,000 per unit.

POPULATION ANALYSIS METHODOLOGY

Population, which is directly related to housing, is addressed in this section with the housing impacts. Population projections assume that the number of full-time residents at the proposed Beach Club Project would be similar to the entire Lake Tahoe portion of Douglas County. In 2000, just over 32% of the households in the Lake Tahoe portion of Douglas County were occupied by part-time residents. However, the current percentage of part-time residents at the mobile home park is approximately 15%. Therefore, it is assumed that the population at the project site would change to be a greater number of part-time residents. The projections also assume that the full-time residents under the proposed project would more closely resemble the Douglas County portion of Lake Tahoe where the full-time persons per household is 2.2 versus 1.89 for the Tahoe Shores Mobile Home Park (US Census 2000).

In general, a reduction of housing and residents would result in associated decreases in environmental impacts, such as lower traffic generation and fewer associated air emissions. However, the loss of housing and residents can also be seen as a detrimental social effect. The loss of housing to support the population in the Basin could be induce relocation of residents outside of the Basin and increased commuting back into the Basin for employment. Such relocation and commuting could also be connected to secondary environmental effects, such as more traffic and greater air quality impacts. Quantification of beneficial or adverse effects associated with a change in population would be speculative; therefore, the analysis simply presents the project-related change without a determination of significance.

ALTERNATIVE A – PROPOSED PROJECT

IMPACT **Loss of Affordable Housing.** *The Tahoe Shores Mobile Home Park is not deed restricted and does not explicitly provide affordable housing to low-income households (80% of median income or less). Therefore, the closure and redevelopment of Tahoe Shores would not result in the loss of affordable housing resources. This impact is considered less than significant.*

5.2.A-1

With respect to the affordable housing definition of the TRPA Code of Ordinances (provided in Section 5.2.1), Tahoe Shores Mobile Home Park is not currently deed restricted, and is therefore, by definition, not affordable housing. In addition, the valuation of mobile home units at Tahoe Shores determined that the park does not provide an affordable housing option for very-low income (50% of median income or less) and low-income households (80% of median income or less). The average estimated occupancy cost (acquisition, rent, utilities, insurance, and taxes) at Tahoe Shores is \$1,315 per month, which exceeds affordability thresholds (80% of the Douglas County median income) of \$1,278 for four-person households. This average estimated occupancy cost further exceeds the affordability threshold because, based upon the 2000 Census, all households in Tahoe Shores were three-person households or smaller (Table 5.2-2). Therefore, when adjusted for household size, affordability levels are exceeded by even greater margins. As a result, there is no impact to housing that is affordable to low and very-low income households.

The following findings further support this conclusion:

1. The Tahoe Shores site rent (\$725 per month), without any other occupancy costs (acquisition, utilities, insurance, taxes), exceeds affordability levels for very low-income households (50% of median income or less for a four person household). Therefore, Tahoe Shores does not provide affordable housing to very-low income households.
2. New and used double-wide mobile homes (age 1975-2004) are generally not affordable based upon comparable unit sales reviewed in Douglas County, Carson City, and Washoe County (Nevada Manufactured Housing Division Title Sales 2004). The price of new double-wide mobile homes generally starts at or above \$75,000 based upon interviews with several manufacturers and dealers in northern Nevada and survey work completed for the Town of Truckee (Draft Truckee Affordable Housing Land Use Evaluation Study 2003). Therefore, the cost of acquiring a double-wide mobile home would exceed affordable housing standards.
3. New and used single section mobile homes (age 1980–2004) are generally not affordable. The average reported sale price in Carson City, Douglas County, and Washoe County was just over \$29,000 (Nevada Manufactured Housing Division Title Sales 2004). The total cost of occupancy (cost of acquisition, rent, utilities, insurance, and taxes) for a 700 square foot mobile home would exceed the total affordable housing costs allowed for households at or below 80% of the Douglas County median family income. Therefore, single section mobile homes would not provide an affordable housing option even for a four-person household.
4. Vacation or second homes are not considered affordable because they have not been available or rented to lower income households. In 2004, approximately 22 units at Tahoe Shores were seasonal second homes (See Table 5.2-3).

Because the mobile homes at Tahoe Shores Mobile Home Park are not deed restricted and do not qualify as affordable housing, closure and redevelopment of Tahoe Shores would not have an impact on affordable housing available for households at or below 80% of median family income. This impact is considered **less than significant**.

Mitigation Measures

No mitigation is required.

IMPACT **Loss of Moderate Income Housing.** *Alternative A would result in the closure of the Tahoe Shores Mobile Home Park, the subdivision of the project site, and the loss of 54 mobile homes that qualify as moderate income housing units. The TRPA Code of Ordinances states that existing moderate income housing units, as defined by Section 41.2.F, shall not be lost through land subdivision unless mitigation is provided on a unit for unit basis for the loss of moderate income housing. Therefore, this impact is considered significant.*

5.2.A-2

Alternative A would result in the closure of the Tahoe Shores Mobile Home Park and removal of all 155 mobile home spaces, including 54 mobile homes that qualify as moderate income housing (see Section 5.2.3, “Housing Analysis Methodology”). After closure and removal of Tahoe Shores, the project site would be subdivided. Section 43.2.B of the TRPA Code of Ordinances states that existing moderate income housing units, as defined by Section 41.2.F, shall not be lost through land subdivision unless mitigation is provided on a unit for unit basis for the loss of moderate income housing. Therefore, 54 moderate income units would need to be provided to mitigate for the 54 moderate income mobile homes that would be removed. This impact is considered **significant**.

Mitigation Measure 5.2.A-2. Replacement of Moderate Income Housing. Mitigation shall be in the form of construction of an equal number of moderate income units, conversion of other structures to moderate income housing, restriction of subdivided units to moderate income housing units, or a combination of the above. The applicant shall provide 54 moderate income units as follows:

1. A total of 19 deed-restricted moderate income condominiums shall be constructed on the project site. Preference for on-site mitigation units will be given first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Such units will consist of one, two, and three bedroom units. The units will be sold at prices consistent with TRPA guidelines for moderate income housing.
2. A total of 35 off-site housing units shall be purchased and converted to deed-restricted moderate income units. The units will be located in the Oliver Park subdivision (directly east of the project - Douglas County, Nevada). The composition of such units in terms of the number of bedrooms shall be consistent with household demographics of Tahoe Shores Mobile Home Park and the Douglas County portion of Lake Tahoe. The majority of households including those in the Tahoe Shores mobile home park are comprised of one to three person households. Preference will be given first to income qualified Tahoe Shores residents, and then to qualified Beach Club employees. The units will be rented at rates consistent with TRPA guidelines for moderate income housing.
3. Provide additional financial assistance for qualified hardship cases in the mobile home park.

Implementation of Mitigation Measure 5.2.A-2 would provide one-to-one replacement for 54 units of moderate income housing and would reduce the impact of loss of moderate income housing units to a **less than significant** level.

IMPACT 5.2.A-3 **Decrease in Housing Availability/Displacement of Residents.** *Alternative A would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied, and 128 of which had full-time residents as of February 2004. (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) The Nevada Revised Statutes would be followed to account for the Park's closure and the displacement of residents. Alternative A would then result in the construction of 143 condominiums, including 19 deed-restricted moderate income units. (As part of Mitigation Measure 5.2.A-2, a total of 35 off-site housing units would be purchased and converted to deed-restricted moderate income units, for a total of 54 moderate income units.) The loss of up to 12 units would not be a substantial reduction in the total housing stock in Stateline or Douglas County because the actual number of occupied mobile homes at Tahoe Shores has ranged between 140 and 150 units. Furthermore, the reduction of as many as 12 units only represents 0.25% of the total housing stock in Douglas County (4,769 units).*

Alternative A would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces. Closure of the Tahoe Shores Mobile Home Park would permanently displace 128 mobile homes with full time residents and 22 units with seasonal occupants (five spaces at the park are currently vacant). (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) As described above in methodology, the loss of the mobile homes and the permanent displacement of the residents of the park would occur in accordance with the requirements of the Nevada Revised Statutes, described above in Section 5.2.1. The Nevada Revised Statutes require that the owner of the park provide written notice of closure; provide at least 180 days after the notice before requiring residents to move their mobile homes; and compensation of residents for relocation of their mobile homes and their appurtenances or for the disposal costs if the resident decides not to move the unit or the unit cannot be moved without being structurally damaged.

There are currently 150 occupied spaces at the Tahoe Shores Mobile Home Park and there are five vacancies. However, in 2000, the total number of vacant spaces at Tahoe Shores was 15, with 140 occupied units. This illustrates the variation in vacancy rates that has occurred over time at Tahoe Shores. After closure of the Park, Alternative A would result in the construction of 143 condominiums, which would result in 12 fewer units than the maximum capacity of 155 spaces at Tahoe Shores. However, accounting for the current vacancies, the actual reduction in occupied housing units would be seven units. The loss of up to 12 units is not considered to be a substantial reduction in total housing units because the total number of occupied mobile home units has fluctuated between 140 and 155, and the reduction of 12 units only represents 0.25% of the total housing in Douglas County (4,769 units). Furthermore, the total loss of units would actually be lower considering the required mitigation to provide 54 deed-restricted moderate income units in the proposed project, the relocation of mobile homes to other parks (possibly up to 30), and the potential for Tahoe Shores residents to acquire market rate units at the Beach Club. The permanent displacement may actually be less than 40 households. These households would have to seek housing in the private market.

Table 5.2-9 summarizes potential changes in population between the current conditions at the Tahoe Shores Mobile Home Park and Alternative A. As explained under methodology, the population projections assume that the number of part-time (seasonal) residents at the project site would increase with the construction of the condominiums. The projections also assume that full-time residents under the proposed action would more closely resemble the Douglas County portion of Lake Tahoe where the full-time persons per household households is 2.2 versus 1.89 for the Tahoe Shores Mobile Home Park (US Census 2000).

Table 5.2-9 Change in Population between Existing Conditions and Alternative A			
	Existing Conditions-Tahoe Shores		Proposed Action
	2000	2004	
Full-Time Population	242	249	222
Part-Time	23	34	88
Total	265	283	310
2000 Census, and Tahoe Shores Inventory 2004			

Under Alternative A, the total full-time population at the project site would be reduced by approximately 27 residents and the part-time population would increase by approximately 54 residents. The total population at the project site would increase by approximately 27. This change in population is not considered substantial.

ALTERNATIVE B – TWO-LOT ALTERNATIVE, SINGLE-FAMILY ESTATES

IMPACT **Loss of Affordable Housing.** *This impact is the same as Alternative A, described above in Impact 5.2.A-1.*

5.2.B-1 *The Tahoe Shores Mobile Home Park is not deed restricted and does not provide affordable housing to low-income households (80% of median income or less). Therefore, the closure and redevelopment of Tahoe Shores would not result in the loss of affordable housing resources. This impact is considered **less than significant**.*

Mitigation Measures

No mitigation is required.

IMPACT 5.2.B-2 **Impacts to Moderate Income Housing.** *Alternative B would result in the closure of the Tahoe Shores Mobile Home Park and the loss of 54 mobile homes that qualify as moderate income housing units under the TRPA Code of Ordinances (see Section 5.2.3, "Housing Analysis Methodology"). However, using a strict interpretation of the Code, mitigation for the loss of moderate income housing is only required by TRPA when associated with the subdivision of a property. Under Alternative B, the project site would not be subdivided. The two parcels that make up the project site would be realigned, the site would be sold, and two single-family estates would be constructed. Because this alternative would not require subdivision, mitigation for the loss of moderate income housing would not be required. Therefore, this impact is considered **less than significant**.*

Mitigation Measures

No mitigation is required.

IMPACT 5.2.B-3 **Decrease in the Housing Availability/Displacement of Residents.** *Similar to Alternative A, Alternative B would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied and 128 of which had full-time residents as of February 2004. (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) The Nevada Revised Statutes would be followed to account for the Park's closure and the displacement of residents. Alternative B would then result in the construction of two single-family estates and the residual loss of up to 153 units. The reduction of 153 units represents 3% of the total housing stock in Douglas County.*

Alternative B would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces. Closure of the Tahoe Shores Mobile Home Park would permanently displace 128 mobile homes with full time residents and 22 units with seasonal occupants. As described above in methodology, the loss of the mobile homes and the permanent displacement of the residents of the park would occur in accordance with the Nevada Revised Statutes, described above in Section 5.2.1. The Nevada Revised Statutes require that the owner of the park provide written notice of closure; provide at least 180 days after the notice before requiring residents to move their mobile homes; and compensation of residents for relocation of their mobile homes and their appurtenances or for the disposal costs if the resident decides not to move the unit or the unit cannot be moved without being structurally damaged.

Alternative B proposes the construction of two single-family estates on the project site after closure of Tahoe Shores. This would result in the loss of up to 153 units. This would represent a reduction of approximately 3% of the total units in Douglas County (4,769 units). Occupants of Tahoe Shores would have to seek new housing (rentals or ownership) within the Lake Tahoe Basin or relocate outside the Basin; however, it would be speculative to provide specific numbers or locations for relocation. Depending on where residents relocate, this could represent a substantial reduction in the population of Stateline (approximately 3.0% if the loss of housing units is an indicator). Although the loss of housing can be viewed as either adverse or beneficial as described above, Alternative B would result in the greatest loss of housing of any of the proposed project alternatives and is considered the least desirable in terms of overall housing impacts.

ALTERNATIVE C – TWO-LOT ALTERNATIVE, MULTIFAMILY RESIDENTIAL

IMPACT 5.2.C-1 **Loss of Affordable Housing.** *This impact is the same as Alternative A, described above in Impact 5.2.A-1. The Tahoe Shores Mobile Home Park is not deed restricted and does not provide affordable housing to low-income households (80% of median income or less). Therefore, the closure and redevelopment of Tahoe Shores would not result in the loss of affordable housing resources. This impact is considered **less than significant**.*

Mitigation Measures

No mitigation is required.

IMPACT 5.2.C-2 **Loss of Moderate Income Housing.** *Similar to Alternative A, described in Impact 5.2.A-2, Alternative C would result in the closure of the Tahoe Shores Mobile Home Park, the subdivision of the project site for market rate condominiums, and the loss of 54 mobile homes that qualify as moderate income housing units. The TRPA Code of Ordinances states that existing moderate income housing units, as defined by Section 41.2.F, shall not be lost through land subdivision unless mitigation is provided on a unit for unit basis for the loss of moderate income housing. Therefore, this impact is the same as Alternative A and is considered **significant**.*

Mitigation Measures 5.2.C-2. Replacement of Moderate Income Housing. Mitigation shall be in the form of construction of an equal number of moderate income units, conversion of other structures to moderate income housing, restriction of subdivided units to moderate income housing units, or a combination thereof. The applicant shall provide 54 deed-restricted moderate income units either on-site or off-site. Off-site units may be located in the Oliver Park subdivision (directly east of the project - Douglas County, Nevada). Preference for on-site mitigation units will be given to first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Units will consist of one-, two-, and three-bedroom units. The units will be rented or sold at rates and/or prices consistent with TRPA guidelines for moderate income housing.

The implementation of Mitigation Measure 5.2.C-2 would provide one-to-one replacement for 54 units of moderate income housing and would reduce the impact of loss of moderate income housing units to a **less-than-significant** level.

IMPACT 5.2.C-3 **Decrease in Housing Availability/Displacement of Residents.** *As with Alternative A, Alternative C would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied, and 128 of which had full-time residents as of February 2004. (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) The Nevada Revised Statutes would be followed to account for the Park's closure and the displacement of residents. Alternative C would then result in the construction of 155 condominiums. (As part of Mitigation Measure 5.2.C-2, a total of 54 housing units would either be constructed on-site or purchased off-site and converted to deed-restricted moderate income units.) There would be no net loss of housing stock or population in Stateline or Douglas County.*

Alternative C would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces. Closure of the Tahoe Shores Mobile Home Park would permanently displace 128 mobile homes with full time residents and 22 units with seasonal occupants (5 spaces at the park are currently vacant). As described above in methodology, the loss of the mobile homes and the permanent displacement of the residents of the park would occur in accordance with the Nevada Revised Statutes, described above in Section 5.2.1. The Nevada Revised Statutes require the owner of the park to provide written notice of closure; provide at least 180 days after the notice before requiring residents to move their mobile homes; and compensation of residents for

relocation of their mobile homes and their appurtenances or for the disposal costs if the resident decides not to move the unit or the unit cannot be moved without structural damage.

After closure of Tahoe Shores, Alternative C would result in the construction of 155 condominiums. Therefore, there would be no net loss of housing units on the project site. However, as explained under methodology, the population projections assume that the number of part-time (seasonal) residents at the project site would increase with the construction of the condominiums. The projections also assume that full-time residents under the proposed action would more closely resemble the Douglas County portion of Lake Tahoe where the full-time persons per household households is 2.2 versus 1.89 for the Tahoe Shores Mobile Home Park (US Census 2000). Therefore, although the total population on-site would be very similar to existing conditions, it is anticipated that the part-time population would increase and the full-time population would decrease.

ALTERNATIVE D – NO PROJECT ALTERNATIVE, JERE WILLIAMS PLAN

Alternative D, the No Project, Jere Williams Plan, would not result in the closure of the Tahoe Shores Mobile Home Park. Therefore, this alternative would not require the implementation of the Nevada Revised Statutes. All 155 mobile home spaces would remain, no residents would be displaced, and the population would remain essentially the same.

The Jere Williams Plan was completed in 1989, and provides for site improvements at Tahoe Shores, including a stringent architectural code for individual mobile home units and transition in the overall composition of the park to 70% double-wide and 30% single-wide mobile homes. In addition, the Jere Williams Plan contemplates physical improvement to the Park's common areas, utilities, landscaping and community amenities. These improvements to the park could increase the cost of housing at Tahoe Shores. Total site rents would likely increase to capitalize the investment in park improvements and to reflect market demand. Tahoe Shores would grant an extended lease replacing the month-to-month rental agreements currently in place.

Tahoe Shores Mobile Home Park is not deed restricted and does not provide affordable housing to low-income households (80% of median income or less). Therefore, Alternative D would not affect affordable housing resources.

Although the total number of mobile homes would remain the same, the availability of moderate income housing in the park (currently 54 units) may be reduced overtime as park improvements are made, units are replaced, and costs increase for individual mobile home owners. However, Alternative D would not include subdivision of the project site. Therefore, an examination of impacts to moderate income housing is not required under TRPA's Code of Ordinances.

ALTERNATIVE E – NO PROJECT ALTERNATIVE, MANUFACTURED HOUSING

Alternative E, the No Project, Manufactured Housing Alternative, would result in the temporary closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied, and 128 of which have full-time residents. The Nevada Revised Statutes would be followed to accommodate for the Park's closure and the displacement of residents. After implementation of site improvements to the common areas, utilities, landscaping and community amenities, Alternative E would then result in the re-opening of Tahoe Shores with 155 manufactured housing units. The manufactured housing units would reflect the Jere Williams Plan regarding 70% double-wide and 30% single-wide units as well as a strict architectural code and long-term leases.

Tahoe Shores Mobile Home Park is not deed restricted and does not provide affordable housing to low-income households (80% of median income or less). Therefore, Alternative E would not affect affordable housing resources.

Alternative E would result in the temporary closure of the Tahoe Shores Mobile Home Park and the loss of 54 mobile homes that qualify as moderate income housing units under the TRPA Code of Ordinances. After site improvements per the Jere Williams Plan are implemented, 155 manufactured housing units would be placed at Tahoe Shores and would require long-term leases for residents. The manufactured housing would be higher quality structures that meet current building codes and requirements for heavy snow loads. The quality of new units would maintain values for a significant period of time and have longer useful life as compared to the existing mobile homes. However, the manufactured housing units would exceed a value of \$75,000 based upon information collected from mobile home dealers and the long-term leases would further increase the housing costs at Tahoe Shores through substantial increases in site rents. As a result, the ability of the Tahoe Shores to offer moderate income housing options could be greatly reduced. Therefore, 54 moderate-income housing units would potentially be lost. However, Alternative E would not include subdivision of the project site. Therefore, an examination of impacts to moderate income housing is not required under TRPA’s Code of Ordinances.

ALTERNATIVES HOUSING MITIGATION SUMMARY

Table 5.2-10, below, compares the housing mitigation requirements for the proposed Beach Club Project alternatives.

Table 5.2-10 Summary of Housing Mitigation Requirements			
Alternatives	Brief Housing Description	Subdivision?	Housing Mitigation
Alternative A	Includes construction of 124 market rate and 19 deed-restricted moderate-income for-sale condominiums.	Yes	54 deed-restricted moderate-income units
Alternative B	Includes development of two single-family estates on two realigned parcels.	No (boundary line adjustment only)	None required
Alternative C	Includes construction of two multi-family complexes on two realigned parcels. Each parcel would include four multi-family residential buildings with approximately 20 market rate for-sale condominiums per building.	Yes	54 deed-restricted moderate-income units
Alternative D	The mobile home park would remain open with a gradual transition to 70% doublewide and 30% singlewide units. The 75 units owned by the park and seven vacant units would be replaced with new units. As other pads became vacant, the owner would replace the old mobile home units with new ones.	No	None required
Alternative E	The mobile home park would be closed and the existing units would be removed. Utility lines would be placed underground, BMPs would be installed, and 155 mobile home pads would be reestablished. High quality manufactured housing units would be sold as the market warrants with minimum 20-year lease terms.	No	None required