MEMORANDUM

Date: February 14, 2008
To: TRPA Governing Board
From: TRPA Staff
Subject: Community Enhancement Project Supporting Documentation

Enclosed please find copies of Attachments D – G that has been provided as a separate package from the Governing Board packet. The enclosed copies are supplemental materials in support of the Community Enhancement (CEP) public hearing item. Due to the volume of materials, attachments, and other related information for this agenda item, only the staff summary and resolution (Attachments A-C) are included in the Governing Board packet.

If you have any questions, please contact Brenda Hunt at bhunt@trpa.org or (775) 589-5225.

Supplementary Attachments included in this packet:

Attachment D: Recommendation Letters (Items 1-9)
Attachment E: County and City Commitment Letters and Resolutions (Items 1-4)
Attachment F: Pre-applicant Commitment Letters (Items 1-9)
Attachment G: Additional Public Comment Letters (Items 1 - 12)
ATTACHMENT D

Recommendation Letters Items 1-9

Item 1: Kings Beach Town Center – BB LLC
Item 2: Kings Beach Housing Now – Domus Development
Item 3: Ferrari Family Resort
Item 4: Kings Beach Lakeside Resort
Item 5: Pastore Ryan
Item 6: Boulder Bay, LLC
Item 7: Homewood Mountain Resort
Item 8: South Y Center (Kmart)
Item 9: Former Mikasa Gateway Site
January 16, 2008

Mike Mason
MWA
11165 Brockway Rd. #1
Truckee, CA 96161

RE: Community Enhancement Program (CEP) – South Y Center/Kmart

Dear Mr. Mason:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the South Y in the City of South Lake Tahoe. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission (APC) and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the South Y Center/Kmart proposal for the reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the South Y Center’s proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
<th>Recommended MRBU</th>
</tr>
</thead>
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<td>South Y Kmart/Raleys</td>
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<td>1199</td>
<td>15,801</td>
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</table>

The proposed project has many benefits relating to the CEP, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and the local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria and have listed the requirements below. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that the 15,801 square feet of CFA and 45 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.

The re-facing and revitalization of the existing South Y shopping center at the gateway to South Lake Tahoe is a much needed and supported project. TRPA would also be supportive of a complete redevelopment of this site that is consistent with the CEP and the proposed Tahoe Valley Community Plan. A full redevelopment of this site may
South Y Center/Kmart
Community Enhancement Program

provide additional opportunities to better meet the goals of the CEP, including increased economic vitality, a more walkable, pedestrian friendly atmosphere, and the enhancement of the multi-modal transportation. If the project proponents felt that such a redevelopment was possible, staff in conjunction with the City of South Lake Tahoe, is open to discussing this possibility and working with you and your clients on design options, an appropriate mix of uses, etc.

That being said, staff has reviewed the proposal before us and has outlined the following issues for you to address.

Requirements for Participation:

Scale, massing, height, and community character:

- The architectural examples provided in your pre-application appear to be compatible with community character, scale and massing.

- The proposal did not contain a definitive height, but it appears that additional height may be necessary. TRPA recognizes the need to allow additional height for mixed use developments to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building. Site context, varying step backs, roof pitch, and articulation need to be considered for additional height to be appropriate for this location. Staff looks forward to working with you and your client on an appropriate height that will allow this proposal to move forward that achieves the goals of the program and the vision for the South Y community.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc). One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

- Please specify the percentage of land coverage reduction proposed for this overall project based on the verified land coverage and land capability. The increase in density and height should result in an overall reduction in land coverage. Additional reduction in land coverage may be required to be consistent with the proposed CP targets of 70%. This may be accomplished through providing landscaping pockets, planter beds, drainage areas, etc.

- It is TRPA’s understanding that a large percentage of the site is currently mapped as Stream Environment Zone (SEZ) land capability. The proposed gas station does not
appear to be an appropriate use for this site and we recommend it be removed from the project design. The current site has been remediated and tanks removed. Other commercial opportunities should be explored that are consistent with the proposed CP, the CEP and the understanding that this is a gateway location.

- The current configuration of the buildings requires the service entrances to bisect the parcel and does not allow appropriate linkages between pedestrian use areas including play area, trail to other residential locations, etc. Opportunities should be explored to realize these linkages including re-facing the rear side of the Center to better integrate the surrounding neighborhoods by providing direct access to entrances and linkages to the existing residential community. A more formalized gateway/pass through at the corner of the Raley's and Kmart should be incorporated into the design to facilitate these linkages.

- The sidewalks at the frontages of the main buildings may need to be widened and hardscaped with planter boxes to provide a more pedestrian friendly promenade and better separation between the parked cars and the public. This may impact the current parking design and may require some reconfiguration of the parking.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. The scenic study should also include an analysis of how the scenic threshold will potentially be impacted and any impacts mitigated. Texture, color, form and glass reflectivity need to be considered on all buildings, especially those that front the Scenic Travel Route.

*Environmental Improvements/ Environmental Improvement Program (EIP)*:

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Your project proposes a number of environmental benefits/improvements; however, TRPA is focused on those EIP Projects that provide gains over and above the minimum project requirements. To that end, we have reviewed your proposed EIP contributions and have the following thoughts, concerns and alternative recommendations:

  ⇒ The main EIP project identified in your proposal is the reduction and treatment of stormwater run-off from the CalTrans roadway. What parcels will be included? What water will be treated? And have you had the opportunity to integrate this with Caltrans/City of South Lake Tahoe? TRPA has concerns that your site will be unable to treat your own run off or that of the CalTrans right of way given the potential for your site to be verified as SEZ. There may be portions of your site that could provide treatment and more land capability and design details are required for this option to be realized. It is likely that even the treatment of your current run off will need to be routed to an off site location. TRPA encourages you to explore these options with the City of South Lake Tahoe Department of Public Works once your land capability has been verified to determine the best approach.

  ⇒ It may be appropriate to work with the City of South Lake Tahoe and CalTrans on determining another method to contribute to the area-wide storm water treatment.

  ⇒ An additional option is to explore on and off site overhead utility under grounding to enhance the scenic threshold along Hwy. 50.
The draft Tahoe Valley CP targets a number of Stream Environment Zones with the CP area for restoration. Explore removal of existing commercial uses out of these targeted SEZ areas for relocation to your site and undertake the restoration of the targeted SEZ. This may be an option to explore in conjunction with your neighboring CEP project at the former Mikasa site.

Coordinate with City and the Mikasa site on design and implementation of EIP #795 South Y intersection improvement project to facilitate construction of additional (beyond that which is a minimum requirement for any project located in a CP) pedestrian and bicycle, and landscaping street frontage improvements. Additionally, the design of these improvements should/could help to inform the TVCP gateway design standards and streetscape improvements for the Y core/gateway area.

Another option is to work with the City to explore how this project might be able to participate in the EIP for US 50 Phase II.

The proposal does indicate that the owner would take on 100% of the costs of implementation of the specified EIP project. TRPA will need a confirmation on this commitment given the selected EIP project going forward.

- Green building commitments: TRPA is recommending that each of the project’s buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken.

- Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- One of the important goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. TRPA would like to encourage you and your client to continue to explore any potential option for the transfer of development that will result in the realization of this goal.

**Housing:**

- If a mix of market, moderate, and affordable units are built on top of the Kmart and other buildings, a mix of uses that activate the site at night should be included in the overall design. This will provide residences with options to walk to dinner or other entertainment and will reduce the use of the automobile, promote shared parking ideas, and provide a liveable walkable community.

- Housing on top of the businesses that face Hwy. 50 should target live work loft type housing. The residential housing on top of the Kmart and Raley’s may be appropriate if properly linked to the adjacent residential neighborhoods and the proposed park behind the Raley’s.
South Y Center/Kmart
Community Enhancement Program

- Inclusion of employee housing is a positive aspect of the project and confirmation and commitments to this end should be further detailed in the final project application.

- Please note that deed restrictions are required in perpetuity for the use of MRBUs for affordable housing.

- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

**Parking:**
- Parking at this site is generally at a premium. Indicate what specific strategies will be employed to obtain the reduction in parking that was proposed. How is this project working with the adjacent property owners, the City of South Lake Tahoe, and overall Y area to manage parking and pedestrian linkages? Are you incorporating shared parking strategies in this design?

- The parking configuration may need to be slightly modified to support better pedestrian linkages, the transit center, and provision of landscaping pockets.

- Provide snow storage details.

**Transportation/Recreation:**
- Include VMT reduction strategies and methodology.

- Provide specific details including confirmation and commitments regarding the proposed transit components. This is to ensure connections are coordinated and improved with existing public transportation authorities including transport to other recreation facilities/sites (Ski areas, beaches, trailheads, etc.).

- Reduction of site access cuts from Hwy. 50 and should be explored and coordinated with the City of South Lake Tahoe. TRPA recommends that a boulevard entrance feature be incorporated into this site and the reconfiguration of street frontage buildings and entrances be undertaken.

- In review discussions, it was determined that the proposed transit center improvements will require additional design input to be a viable solution. There is a potential for parking and bus conflicts with the proposed configuration. A separate transit lane that is detached from the parking area is necessary. Additionally, the proposed children’s play area at the corner could be a safety concern due to traffic and does not appear to be appropriate in this particular location. TRPA recommends the applicants coordinate with BlueGO, the City and TRPA to ensure the design is safe, user friendly and meets the needs of a variety of transit users. A well-lit publicly active transit hub will improve this design.

- Additionally, TRPA recommends that a kiosk with signs, maps, etc. that provides linkages to schools, community facilities, bike paths, trail heads, etc. be located on site in or near the transit center/shelter. Coordination with the Forest Service regarding a separate information kiosk/visitor information center/recreation hub for shuttle services, etc. is consistent with the proposed CP.
South Y Center/Kmart
Community Enhancement Program

- Provide details and commitments for implementation regarding bike and pedestrian trail linkages, intersection linkages, parking lot crossing features and improvements to these areas

Cultural:
- In our discussions with the City, it was identified that the incorporation of the Barton Ranch house should be explored as the projects cultural contribution. This site is of historic significance and the overall project would greatly benefit from such a partnership.

Basic Site Information:
- Please be aware that the project site is mapped as an SEZ/sensitive land and may need a man modified determination to allow the additional development.

- Provide specific verifications and calculations for the existing land coverage, land capability, CFA, Units of Use, etc.

- Provide complete elevations and floor plans with details on the style, building materials, colors, proposed height, and the use of green technology for each building proposed.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

Miscellaneous CEP/CP Items:

- Incorporation of public art/ functional public art and gateway features should be included.

- Identify public/private open spaces for the residential housing and/or general public use within the mixed use development.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local South Y community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for South Y Center/Kmart to meet with TRPA staff and Placer County staff on Thursday, January 17, 2008 from 2:00PM to 4:00 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you Thursday. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.
South Y Center/Kmart
Community Enhancement Program

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

CC: John Singlaub
    Joanne Marchetta
    Jerry Wells
    John Hitchcock
    Lyn Barnett
    Paul Neilsen
    Jeanne McNamara
    Nick Haven
    David Landry
    Melissa Shaw
    Teri Jamin
    Camden Collins
    David Jenkins
January 16, 2008

Gary Midkiff
Midkiff & Associates
P.O. Box 12427
Zephyr Cove, NV 89448

RE: Community Enhancement Program (CEP) – Homewood Mountain Resort

Dear Mr. Midkiff:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Homewood area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission (APC) and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the Homewood Mountain Resort’s proposal for the reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the Homewood Mountain Resort proposal.

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<thead>
<tr>
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<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
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There are many positive aspects to this project, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project.

TRPA and the local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria. Below is a list of requirements for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 23,237 square feet of CFA, 50 TAUs, and 12 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.
Requirements for Participation:

Scale, massing, height, and community character:
- TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building. Site context, varying step backs, roof pitch, and articulation need to be considered for additional height to be appropriate for this location. TRPA is considering an alternative method of measuring height in sloped situations. TRPA’s design guidelines provide details in relation to stepping a building with the contours. The use of a building envelope that would allow a building to stair step up a slope to a max of 50 ft. at the highest pt. of the envelope/slope, depending on the elevation, may be appropriate for this site. This approach may limit and potentially eliminate the amount of grading/cut required for building foundations which is an added environmental benefit.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.), and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc). One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Staff would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings. We look forward to working with you and your client on an appropriate height in this area that will achieve the goals of the CEP.

- Please specify the percentage of land coverage reduction proposed for this overall project. The increase in density and height should result in an overall reduction in land coverage.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, portions of your project will be visible from Lake Tahoe. The scenic analysis should also include an analysis of how the scenic threshold will be potentially impacted and any impacts mitigated.

Environmental Improvements/ Environmental Improvement Program (EIP):
- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Your project proposes a number of
Homewood Mountain Resort
Community Enhancement Program

environmental benefits/improvements. TRPA requires written commitments regarding the funding, construction, and overall maintenance/monitoring for the your specific EIP proposals. Some EIP components that were discussed in your pre-application or in verbal conversation are listed below:

⇒ TRPA is fully supportive of the prospect of storm water from Highway 89 and the Homewood site be diverted to properly sized treatment facilities that are constructed and maintained by Homewood Mountain Resort. TRPA understands your clients have been in discussions with both Placer County and CalTrans relating to this issue. Provide details and commitments regarding the Homewood water quality improvements and how they will be integrated with the Caltrans water quality improvements and the Placer Cty Homewood Erosion Control Project. Specifically, what is the quantifiable reduction of sediment loads entering Lake Tahoe in the Homewood area garnered through the construction of these targeted water quality facilities?

⇒ Provide design and written commitments for the implementation of the bike trail improvements referenced in the CEP application through the Homewood project area.

⇒ Provide details and commitments regarding the under grounding of the utilities that cross the Homewood site.

⇒ Provide details and commitments regarding the day-lighting of the creek under the ski-bowl (new residential area) parking lot. Also, explore possibilities to restore creek/SEZ along proposed cat road between base areas

⇒ Additionally, consider participation in the Hwy. 89 re-alignment EIP project # 855 at Tahoe City.

• Green building commitments: You have provided detailed information on how your project would score against the LEED program system. TRPA is recommending that each of the project’s buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. In California, this may be a minimal request given the State requirements relating to Title 21. If possible, applicants should strive to achieve higher certification, but this will not be a requirement.

• TRPA understands that this proposal has been accepted into the pilot LEED for Neighborhood Development program. Please provide confirmation of this acceptance and a commitment to be a certified LEED for Neighborhood Development program. TRPA is recommending that each CEP project be scored using the criteria in the pilot LEED for neighborhoods program and obtain a minimum score of 40. The scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. TRPA is recommending this scoring system be used as the pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

• One of the important goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. This proposal is requesting 50 TABUs which requires a
Homewood Mountain Resort
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1 to 1 transfer of TAU from sensitive parcels. Provide specific details on where the 25 units on sensitive parcels are located (APN, Transfer applications, etc). Please be aware that TRPA understands the location of the units lies within the North Stateline CP. This CP contains policies that encourage the transfer of TAUds into this area, not out of the area. Provide justification as to why the transfer of these commodities out of this CP would be considered beneficial.

Housing:
- Provide details on the specific Placer County requirements for employee housing. Your proposal provides for some units to be located on-site, where are the balance of the employee housing units proposed to be built? Provide details on the location, number of units, type of housing, travel distances and transportation options.
- Clarify and detail the proposed residential ownership of south base area.
- Please note that deed restrictions are required in perpetuity for the use of MRBU's for affordable housing.
- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

Parking/Transportation:
- In your parking analysis, provide details and commitments on your over all parking strategies that not only include your proposed on-site facilities, but include utilization of satellite parking to reduce on site parking demands, links to existing transit system, shuttle system details, and water taxi details.
- Include VMT reduction strategies and methodology.
- Provide assurances that a transit stop is needed in this location and will be supported by the local transit authority.
- A kiosk with signs, maps, etc. that provides linkage to schools, community facilities, bike paths should be located on site in or near the transit center/shelter.

Recreation:
- The Plan Area Statement (PAS) 157 was anticipating that this area would grow for recreation purposes by a maximum of 1100 Persons At One Time (PAOTs); however, the proposal is actually reducing the capacity. How is the reduction of PAOTs impacting the achievement of the recreation threshold and how will this be mitigated?
- In your presentations you described that the mid-station lodge would be available for the public to use (pool, access to hiking, etc.) In your pre-application, you limit this access quite substantially. What are the potential reasons and impacts to the project associated with reduced public access to the mid station lodge/pool?
Homewood Mountain Resort
Community Enhancement Program

- Provide details and commitments on where and how five miles of hiking trails will be developed per the PAS 157.

Basic Site Information:
- Provide verification of the existing land coverage, land capability, units of use, etc.
- Ensure that locations of proposed buildings and proposed sensitive transfers are not impacting sensitive lands.

Miscellaneous CEP Items:
- The proposed project will require some changes to the current PAS 157 and will need to incorporate these into the new Master Plan document:
  ⇒ Multi-Family Residential and Timeshare Residential need to be added to the permissible use list in this PAS/Master Plan Area
  ⇒ Multi-Residential Incentive Program and Existing Development receiving area designations need to be added to the PAS/Master Plan Area. This will be required to transfer in the MRBU, TAUs and CFA.
  ⇒ To undertake these, Transit Oriented Development (TOD) findings will need to be made.

- Project should include some form of functional public art in proposed gathering places.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

- Provide commitments and details in relation to the proposed sign at the Tahoe City Y on how this system will provide information to the public and to what benefit.

- Identify public/private open spaces for the residential housing and/or general public use within the mixed use development.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for Homewood Mountain Resort to meet with TRPA staff and Placer County staff on Thursday, January 17, 2008 from 9:00 AM to 11:00 AM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.
Homewood Mountain Resort
Community Enhancement Program

I look forward to seeing you next week. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

[Signature]

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

CC:  John Singlaub
     Joanne Marchetta
     Jerry Wells
     John Hitchcock
     Lyn Barnett
     Paul Neilsen
     Nick Haven
     David Landry
     Melissa Shaw
     Jennifer Merchant
     Rae James
     Jim Lobue
     Allen Breuch
January 16, 2008

Lew Feldman
Feldman Shaw LLP
PO Box 1249
Zephyr Cove, NV 89448

RE: Community Enhancement Program (CEP) – Boulder Bay, LLC

Dear Mr. Feldman:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Crystal Bay area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission (APC) and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the Boulder Bay, LLC’s proposal for the reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the Boulder Bay, LLC proposal.

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<td>Boulder Bay LLC</td>
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There are many positive aspects to this project, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and the local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria. Below is the list of requirements for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that the 40 TAU’s and 48 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.
Boulder Bay, LLC
Community Enhancement Program

Requirements for Participation:

Settlement Agreement:

- The project as proposed is currently inconsistent with the Settlement Agreement between Crystal Bay Associates and the TRPA dated 9/17/2001. Major concerns relating to existing permanent deed restrictions and use restrictions on the Mariner Site have been identified. TRPA has met with you and your clients regarding these issues and a proposal was verbally discussed on how the project site may be redesigned and the settlement agreement renegotiated to meet the overall goals of the CEP, the project, and the intent of the original settlement agreement. Several issues regarding your proposed design stem from this Settlement Agreement that will need to be addressed/resolved in your project application including the relocation of Reservoir Drive and Wassou Road, the relocation of the open space, and the relocation of the three single family dwelling lots:
  - Relocation of the any roads/rights of way on the property need to be discussed and determined in conjunction with Washoe County.
  - In the Settlement Agreement, the western 1.27 acres was dedicated as permanent open space with the proviso that it may be transferred to Washoe County for a park. Although this transfer did not occur, the agreement states that the open space “must not be inconsistent with the open space restrictions/dedications outlined in the settlement agreement”. Additionally, the North Stateline Community Plan (CP) Land Use Concept Map identifies this area as an open space area. Specific concerns relate to the proposed Buildings J and K as they conflict with provisions of recorded deed restrictions and transfer criteria that required the site to be restored. Please see TRPA Code section 33.7. A. TRPA recommends that in order for the intent of the settlement agreement to be realized, this Boulder Bay, LLC should commit to providing the improvements for the park, dedicating the land to public use, and providing for the long-term maintenance of the site. Please provide a design proposal that outlines these commitments.
  - Relocation of the single family dwelling lots may be appropriate; however, only if the ‘park’ open space is located in such a manner as to be easily accessed by the public and is still in a flat portion of the site.

Whether these items can be accomplished will be subject to a renegotiated settlement agreement.

Scale, massing, height, and community character:

- TRPA has concerns with the proposed 75 feet height of the casino structure as it will likely be visible from Lake Tahoe as it is being relocated up hill and could be visible over tree canopy. TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Site context, varying step backs, roof pitch, and articulation need to be considered for additional height to be appropriate for this location. Given the proposed project area is located on a slope; TRPA is considering an alternative method of measuring height in these situations. TRPA's design guidelines provide details in relation to stepping a building with the contours. The use of a building envelope that would allow a building to stair step up a slope to a max of 50 ft. at the highest pt. of the envelope/slope, depending on the elevation, may be
appropriate for this site. Therefore, staff is recommending a substantial decrease in the proposed height and we look forward to working with you and your client on an appropriate height that will allow this proposal to move forward that achieves the goals of the program and the vision for the Crystal Bay community.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc). One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

- Please specify the percentage of land coverage reduction proposed for this overall project. The increase in density and height should result in an overall reduction in land coverage. The existing Community Plan requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. The scenic analysis should also include an analysis of how the scenic threshold will be potentially impacted and any impacts mitigated. If the proposed project is visible from Lake Tahoe, an additional scenic analysis will be required that addresses the impacts to Lake Tahoe.

- The use of high quality natural materials including stone, wood, and alternative green building materials should be incorporated into the designs. Texture, color, form and glass reflectivity need to be considered on all buildings, especially those that front the Scenic Travel Route.

_Environmenta l Improvements/ Environmental Improvement Program (EIP):_

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Your project proposes a number of environmental benefits/improvements; however, TRPA requires a written commitment regarding the funding, construction, and overall maintenance/monitoring for these EIP project contributions in order to ensure the projects are implemented. TRPA is focused on those EIP Projects that provide gains over and above the minimum project requirements. To that end, we has reviewed your proposed EIP contributions and have the following thoughts, concerns and alternative ideas:
  - The streetscape improvements were previously completed as part of the Nth Stateline Beautification Environmental Improvement Project and
Boulder Bay, LLC  
Community Enhancement Program

therefore this portion of the project cannot be considered an above and beyond contribution. Because these improvements were completed with federal grants, Boulder Bay should work closely with Washoe County to determine how the streetscape should be reconstructed.

⇒ Please clarify where the proposed under grounding of power lines is proposed to be implemented. It is TRPA’s understanding that the under grounding of power lines through the CP area has already been completed.

⇒ Provide details and commitments for implementation of the Lake Vista Mini-Park (EIP #115). In discussions with Washoe County regarding this project, it is desirable to integrate the Crystal Bay Erosion Control Project, the Brockway Erosion Control Project, and the Mini-Park into one over all project design. Further discussions need to be facilitated; however, TRPA believes that the dedication of this parcel, the implementation of the mini-park, infiltration facilities sized to be large enough to accommodate run off from all the projects and a maintenance agreement would be a seen as a substantial EIP commitment.

⇒ Provide details on these Scenic Improvements associated with EIP # 869 and how this project will contribute to its implementation. Specific project related scenic improvements to a travel route that is not in attainment would be considered a requirement of any proposed project. If off site improvements are being considered, please provide details on those proposals.

- Green building commitments: You have provided detailed information on how your project would score against the LEED program system. TRPA is recommending that each of the project’s buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- TRPA has concerns with the overall project goal to provide enhanced view corridors to the lake and mountains. Identify the location and extent of proposed view corridors to Lake and Mountains. Are views enhanced from public areas or does this refer to views from the proposed buildings? This could have potential impacts on TRPA’s scenic resources if the goal is to increase building height to improve views to the lake and the surrounding mountains. Please provide a detailed explanation of this goal.

- One of the important goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. The request for 40 TAU bonus units requires a 1 to 1 transfer of TAU from sensitive parcels. Provide specific details on the location and land capability of these 40 TAU's (i.e. APN, Transfer applications, etc)
Housing:

- Please note that deed restrictions are required in perpetuity for the use of MRBU's for affordable housing.
- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

Parking:

- The project needs to with Washoe County on the potential to amend their standards to accommodate a 45% reduction. Provide a detailed discussion and commitments toward coordination, implementation, and long term maintenance of a transportation strategy which will allow this reduction to be justified. See Transportation section below.
- Although the parking lot in Boulder Bay, LLC ownership located across the street from the existing Biltmore is not a part of this project proposal, TRPA and Washoe County recommend that this area be screened with landscaping and that parking lot best management practices being placed to capture the runoff on that site. If capture of runoff cannot be captured on that site, TRPA recommends that Boulder Bay, LLC coordinate with Washoe County to have the runoff captured as a part of the Crystal Bay Erosion Control Project. This would likely require a fair share contribution to the completion of that project.

Transportation/Recreation:

- Include VMT reduction strategies and methodology.
- Provide specific details including confirmation and commitments regarding the proposed transit components. This is to ensure connections are coordinated and improved with existing public transportation authorities and private shuttle systems for transport to and from the site, including transport to other recreation facilities/sites (Ski areas, beaches, trailheads, etc.).
- A kiosk with signs, maps, etc. that provides linkages to schools, community facilities, bike paths should be located on site in or near the transit center/shelter.
- Your project proposal discusses a significant reduction in the parking requirements and the one potential community net gain being the redirection of cost savings to provide multimodal transportation programs. There are a couple of opportunities relating to this goal:
  - Coordination with CalTrans, NDOT, Washoe and Placer County to create a multi-use trail connecting Crystal Bay to Kings Beach Commercial Area. This would be beneficial to your project, other CEP projects within the Kings Beach area, and the local residential and tourist populations.
  - Opportunity to help achieve a portion of the NV Stateline to Stateline trail being planned to connect Crystal Bay to Incline Village. Coordination with this trail project would be considered an environmental benefit and would
help reduce the need for the automobile, provide access to your site from the surrounding areas, and be a recreational benefit for the community. It is likely that a bike trail associated with this parcel would be considered a leg of the around the Lake trail.

**Basic Site Information:**
- Identify where the North Stateline Community Plan Boundaries are located within the project area. TRPA has concerns that per the project proposal site plan dated 10/31/2007, Locations I, J, & K may be outside the CP boundary. All development located outside the CP boundary cannot be a part of this CEP proposal.

- Provide specific verifications and calculations for the existing (Biltmore and Tahoe Mariner) land coverage, CFA, and TAUs.

- Provide Soils Hydrological determination in relation to the proposed underground parking facility.

- Provide details and confirmation regarding the issue of moving of gaming/casino floor area with NTRPA and ensure project conformance with compact requirements prior to application to TRPA.

**Miscellaneous CEP/CP Items:**
- Project should include some form of functional public art and potentially play structures/etc.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

- Identify public/private open spaces for the residential housing and/or general public use within the mixed use development.

- Existing goals within the CP include:
  - a reduction in driveway cuts
  - the inclusion of left turn pockets to reduce traffic delays
  - Inclusion of Bus Shelters on the Biltmore site
  - Buffers between existing residential and the commercial areas
  - And, Snow Storage

  Provide details and commitments on how is this proposal will help meet these goals?

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Crystal Bay community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for Boulder
Boulder Bay, LLC
Community Enhancement Program

Bay, LLC to meet with TRPA staff and Placer County staff on Thursday, January 17, 2008 from 11:00 AM to 1:00 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you next week. Please contact me if you have any questions via phone at 775.589.5225 or email bhunt@trpa.org.

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

CC: John Singlaub
    Joanne Marchetta
    Jerry Wells
    John Hitchcock
    Lyn Barnett
    Paul Neilsen
    Nick Haven
    David Landry
    Melissa Shaw
    Jennifer Merchant
    Rae James
    Jim Lobue
    Allen Breuch
    Eva Krause
January 14, 2008

Tony Pastore
Andrew Ryan
Pastore Ryan
PO Box 1847
Kings Beach, CA 96143

RE: Community Enhancement Program (CEP) – Pastore Ryan

Dear Mr. Pastore and Mr. Ryan:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you to achieve revitalization within the Kings Beach community core area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the Pastore Ryan proposal’s reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the Pastore Ryan proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
<th>Recommended MRBU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pastore Ryan</td>
<td>2,564</td>
<td>181</td>
<td>2,383</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

There are many positive aspects to this project, but the pre-application proposal will need improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria. Below is a list of requirements your proposal needs to address for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 2,383 square feet of CFA and 4 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements prior to the submittal of final project applications.
Requirements for Participation:

Scale, massing, height, and community character:

- Although use of the existing building foundation will cause less disturbance on site, TRPA has concerns this will limit the project’s ability to achieve basic design elements outlined in the existing Kings Beach Community Plan (CP) including standards for parking, gateway and street frontage improvements, and substantial environmental benefits as it pertains to the Environmental Improvement Program (EIP). TRPA looks forward to working with you to determine the best approach to these matters. In our verbal discussions there was mention of possible expansion of the project site. Expansion of the project site should be considered to manage/provide an appropriate amount of parking, undertake frontage improvements, and realize the implementation of area-wide water quality benefits.

- TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing CP; the Place Based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building. The scale and mass of the proposed architecture appears appropriate for this location. Additional articulation may be necessary on the West side of the structure. Site context, varying step backs, roof pitch, and articulation are needed for additional height to be appropriate for your location and be consistent with the community character. TRPA realizes that there are concerns about using the existing Kings Beach community character as a guide for development; however, regardless of the physical state of the buildings, TRPA considers the mass, form and height of existing buildings to be a useful guide for any proposed redevelopment.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc) may be appropriate. One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Please note the TRPA currently measures height from the lowest point of natural grade. Submitted elevations need to show where this point is located and how the height is being measured from this point. We look forward to further discussions would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings.
Pastore Ryan
Community Enhancement Program

- Please specify the percentage of land coverage reduction proposed for this project. The increase in density and height should result in an overall reduction in land coverage. The existing CP requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above.

- The retail portions on the bottom floor require additional street frontage windows and main entrances. Additionally, please provide more specifics on the proposed building materials (colors, textures, etc.). These need to be consistent with what is outlined in the existing Kings Beach Community Plan (pp 19 – 7).

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, portions of your project may be visible from Lake Tahoe. If it is visible from Lake Tahoe, the scenic analysis should also analyze how the scenic threshold will be potentially impacted and how those impacts will be mitigated.

- Staff recommends that you work with Placer County to ensure that the street improvements will be designed to be consistent with the CP, the Kings Beach Commercial Core Improvement Project - KBCCIP, and CalTrans road improvements. Streetscape elements that are not a part of the KBCCIP project need to be compatible with CP, the KBCCIP, CalTrans road improvements and the other potential CEP projects. This is to ensure a consistent design is achieved for lighting, street furniture, the type of curb and gutter, sidewalk size and paving materials, etc. so there is not an unorganized mixture of designs throughout the community core areas.

**Environmental Improvements/ Environmental Improvement Program (EIP):**

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include completion of a specifically identified EIP project (See Special Projects Section 33.3.D of the TRPA Ordinances). Your proposal does not provide details about the specific EIP project that will be completed as a part of your project. Completion of your on-site Best Management Practices (BMPs) is a requirement of any project and cannot be considered your EIP contribution and relating this proposal to past EIP projects completed by the firm does not adequately address the requirements outlined in the CEP material.

During your presentation at the public meeting it was TRPA’s understanding that there was the possibility of this project area providing water infiltration for surrounding properties. Please provide specific details on this proposal. Additionally, a list of ideas below should be explored as a means for this proposal to contribute to the EIP:

⇒ Implementation of EIP project off site should be explored:
  - Working with adjacent property owners and leveraging that funding to underground utilities on your property and on adjacent properties to your north, toward the proposed Domus development, on North Lake Boulevard.
The KBCCIP and the Kings Beach Residential Erosion Control Project - KBRECP projects may not extend to this area. Please explore the possibility to link to these projects and provide water quality benefits beyond that which is required.

Fisheries enhancements associated with the KB Residential Erosion Control Project are currently unfunded (substantial design work has been completed). Work with Caltrans and the County.

- Green building commitments: TRPA is recommending that each of the projects buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- TRPA staff is interested in the green roof concept and its applicability to the Tahoe climate. Please provide additional details and specifications relating to this concept.

- One of the goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. TRPA would like to encourage you to continue to explore this and any other potential option for the transfer of development that will result in the realization of this goal.

**Housing:**

- Your proposal does not specify what level of housing you are proposing (Affordable vs. Moderate). Please note that for the use of TRPA MRBU's any moderate or affordable housing associated with your project will be deed restricted in perpetuity.

- Specify the number and type of residential units the final project is proposing.

**Parking:**

- Other opportunities to work with other CEP project proponents on a shared parking plan, and work with Placer County on an overall parking strategy should be explored and discussed in your project application. The requested reduction in parking needs to be further evaluated during the formal review of the project.

- Movement of parking into right of way may not be possible. Coordination with CalTrans and Placer County is required to ensure that the potential parking design and number of spaces is appropriate. Additional detailed coordination with CalTrans is required to ensure a consistent and coordinated approach is taken in relation to the Lake Tahoe Boulevard water quality project design and any bike lane design/improvements for this area.
Transportation:
- Include Vehicle Miles Travel (VMT) reduction strategies and methodology.
- Provide a map of the location and distance of transit stops to the proposed project areas and the pedestrian linkages required to access these transit locations.
- Street frontage improvement including a sidewalk in front of building is required per the CP. Additional sidewalk improvements need to be incorporated into the mixed use sites with linkages to other CEP projects including the Domus project area. We encourage you to work with the Domus CEP project for options regarding pedestrian linkages and parking.

Basic Site Information:
- Please provide verification of the existing land coverage, land capability, units of use, etc.
- Identify where snow storage will be provided and what best management practices (BMPs) will be employed to ensure proper drainage and treatment of melting snow.

Miscellaneous CEP Items:
- Explore the potential to provide a joint gateway feature with the Domus project.
- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.
- TRPA staff is aware of your commitment to the demonstration of a process as well as a product. Timing on this project may not allow for the design charrette process to be completed as proposed. Please outline your updated process to meet the time constraints expressed in the CEP and the Special Projects section of the TRPA Code of Ordinances.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Kings Beach community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for Pastore Ryan to meet with TRPA staff and Placer County staff on Tuesday, January 15, 2008 from 2:30 PM to 4:30 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.
Pastore Ryan  
Community Enhancement Program  

I look forward to seeing you tomorrow. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@rpa.org.

Sincerely,

Brenda Hunt  
Associate Planner II, Land Use  
Planning and Evaluation Branch  

CC: John Singlaub  
Joanne Marchetta  
Jerry Wells  
John Hitchcock  
Lyn Barnett  
Paul Nielsen  
Nick Haven  
David Landry  
Melissa Shaw  
Jennifer Merchant  
Rae James  
Jim Lobue  
Allen Breuch
January 14, 2008

Leah Kaufman
Kaufman Planning
P.O. Box 253
Carnelian Bay, CA 96140

RE: Community Enhancement Program (CEP) – KB Resorts

Dear Ms. Kaufman:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Kings Beach community core area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the KB Resort’s proposal’s reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the KB Resort’s proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
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<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
<th>Recommended MRBU</th>
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</tbody>
</table>

There are many positive aspects to this project, but the pre-application proposal will need improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria. Below is a list of requirements your proposal needs to address for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 6, 971 square feet of CFA and 8 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements prior to the submittal of final project applications.
KB Resort
Community Enhancement Program

Requirements for Participation:

Partnership Opportunities:
- TRPA strongly encourages a partnership approach between this project and the adjacent CEP proposal from Ferrari Family Resort. TRPA and the local jurisdiction staff members are very interested in working with the project proponents to ensure that the goals of the CEP and the Community Plan (CP) are implemented in a coordinated and thoughtful manner. The projects need to consider the joint design and location of the following items:
  ⇒ lake access,
  ⇒ view corridors,
  ⇒ bike trail implementation,
  ⇒ public art,
  ⇒ pedestrian friendly blending/circulation around and between sites,
  ⇒ options for Brockway Vista Road,
  ⇒ utility services,
  ⇒ water quality improvements,
  ⇒ parking,
  ⇒ pedestrian overpass, and,
  ⇒ potentially, employee and affordable housing.

The projects can still celebrate their differences, yet come together to achieve a quality, well planned, interesting Lake oriented design. A design that provides benefits to the Kings Beach community in a positive, cohesive manner and ensures the goals and objectives of the CEP and the CP are not only met, but are implemented in a manner that makes sense.

Scale, massing, height, and community character:
- The revised elevation proposal submitted to TRPA indicates a maximum height of 40 feet. TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing CP; the Place Based planning process local and regional visions, and the CEP itself. As currently proposed, TRPA has concerns with the scale and mass of the proposed architecture as it will be viewed from the street and the Lake. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the street and/or the Lake and is located more toward the middle of the building or site. The renderings within your proposal did not appear to be stepped back enough from the Lake side and no renderings were available for the Big Seven site. The height of the buildings between the Lake and the highway should be significantly less than the height proposed for the buildings on the mountain side of the highway. Site context, varying step backs, roof pitch, and articulation are needed for additional height to be appropriate for your location and be consistent with the community character. TRPA realizes that there are concerns about using the existing Kings Beach community character as a guide for development; however, regardless of the physical state of the buildings, TRPA considers the mass, form and height of existing buildings to be a useful guide for any proposed redevelopment.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that
mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc) may be appropriate. One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Please note the TRPA currently measures height from the lowest point of natural grade. Submitted elevations need to show where this point is located and how the height is being measured from this point. We look forward to further discussions would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings.

- Please specify the percentage of land coverage reduction proposed for this project. The increase in density and height should result in an overall reduction in land coverage. The existing CP requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, your project will be visible from Lake Tahoe and a scenic assessment is required. An analysis of how the shorezone travel route threshold is being quantifiably improved may also be necessary.

- Staff recommends that you work with Placer County to ensure that the street improvements will be designed to be consistent with the CP, the Kings Beach Commercial Core Improvement Project - KBCCIP, and CalTrans road improvements. Streetscape elements that are not a part of the KBCCIP project need to be compatible with CP, the KBCCIP, CalTrans road improvements and the other potential CEP projects. This is to ensure a consistent design is achieved for lighting, street furniture, the type of curb and gutter, sidewalk size and paving materials, etc. so there is not an unorganized mixture of designs throughout the community core areas.

**Environmental Improvements/ Environmental Improvement Program (EIP):**

- A written commitment is needed to ensure completion of your main EIP project. Provide details regarding the purchase of the Motel California (located on Lake Tahoe Boulevard in front of the NTPUD beach) the transfer of the TAUs, removal of the structure, removal and retirement of the land coverage and creation of a view corridor.

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Although your project proposes a number of environmental benefits/improvements (including the potential Motel California
discussed above), TRPA is interested in discussing a variety of other specific environmental benefits (see list below) that would be considered gains over and above the minimum project requirements and help to further meet the goals of the CEP. Written commitments regarding funding, construction, and overall maintenance/monitoring are requested.

⇒ Your proposal discusses that you will be completing your on-site Best Management Practices (BMPs) and over-sizing the facilities. Over-sizing may be beneficial, especially if this is to provide linkages to Placer County’s area-wide drainage programs including the KBCCIP and the Kings Beach Residential Erosion Control Project. The construction of key water quality facilities that provides a quantifiable reduction of sediment loads entering Lake Tahoe may be necessary on both the Lake and mountain sides of Highway 28. Diversion of storm water from the upper grid streets to a properly sized treatment facility constructed and potentially maintained by the KB Resorts would be considered an EIP contribution. We have been in discussions with Placer County and specific contributions to this end may be requested based on determined priority areas.

⇒ TRPA recommends that the proposals jointly complete the bike path improvements along Brockway Vista as outlined in the CP. Working to link this bike path between the Kings Beach Conference Center and the NTPUD Beach would also constitute an EIP contribution.

⇒ This proposed project area has an opportunity to provide direct access to Lake Tahoe which is not being realized. As stated above, a cohesive pedestrian circulation/visual corridor/Lake access plan with the adjacent CEP/Ferrari Family Resorts proposal would provide multiple benefits to the project and may constitute an additional EIP contribution.

⇒ Fisheries enhancements associated with the KB Residential Erosion Control Project are currently unfunded (although substantial design work has been completed). Coordination with CalTrans and Placer County is required.

- Green building commitments: TRPA is recommending that each of the projects buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

**Housing:**
- This aspect of the proposal raises a number of questions. How many affordable housing units are being removed? Will these units be replaced? Specify, if any, the number of affordable housing units being lost. Are we gaining better housing,
but losing units? Will all of the requirements be met regarding CA Redevelopment law and Placer County policy? How many units, and in what location will the required housing be built? Are any affordable housing units being proposed beyond that which is required per CA Redevelopment Law and Placer County policy? If so, is it moderate or affordable housing and where will it be built?

- Please note that for the use of TRPA MRBUs any moderate or affordable housing associated with your project will be deed restricted in perpetuity.

- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

Parking:
- If the parking is to be maintained as proposed, all ingress and egress should be from Hwy. 28. Vehicle access should be limited to the single-family residence, and emergency and maintenance vehicles only. TRPA recognizes the reduction of vehicular traffic near the Lake as a positive outcome of this process.

- Other opportunities to work with other CEP project proponents on a shared parking plan, and work with Placer County on an overall parking strategy should be explored and discussed in your project application. The requested reduction in parking needs to be further evaluated during the formal review of the project.

Transportation:
- Include Vehicle Miles Travel (VMT) reduction strategies and methodology.

- Provide a map of the location and distance of transit stops to the proposed project areas and the pedestrian linkages required to access these transit locations.

Basic Site Information:
- Please provide final verification of the existing land coverage, land capability (including the backshore), units of use, etc. for the entire project area.

- Identify where snow storage will be provided and what best management practices (BMPs) will be employed to ensure proper drainage and treatment of melting snow.

- Provide elevations and associated floor, drainage, landscaping plans that clearly articulate and depict all proposed buildings on both the Lake side, and the mountain side (Big Seven) of Highway 28.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide
KB Resort
Community Enhancement Program

Miscellaneous CEP Items:

- In order to activate the space and promote use of the proposed public plaza/corridor to the Lake, TRPA recommends that the lower floor retail should wrap into public plaza from Highway 28.

- The proposed boardwalk along Brockway Vista Road needs to be coordinated with Placer County. Redesign may be required to ensure the boardwalk can be used by multiple users (re: bike path).

- Nightly rentals are good! The proposed density and need to add Residential Timeshare as a use to the CP has not been addressed in this letter. This will require further review once an application is received.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Kings Beach community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for the KB Resort to meet with TRPA staff and Placer County staff on Wednesday, January 16, 2008 from 11:00 AM to 1:00 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you on Wednesday. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Planning and Evaluation Branch

CC: John Singlaub
    Joanne Marchetta
    Jerry Wells
    John Hitchcock
    Lyn Barnett
    Paul Nielsen
    Nick Haven
    David Landry
    Melissa Shaw
    Jennifer Merchant
    Rae James
    Jim Lobue
    Allen Breuch
January 14, 2008

Gary Midkiff
Midkiff & Associates
P.O. Box 12427
Zephyr Cove, NV 89448

RE: Community Enhancement Program (CEP) – Ferrari Family Resort

Dear Mr. Midkiff:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Kings Beach community core area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the Ferrari Family Resorts proposal’s reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the Ferrari proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
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</tr>
</tbody>
</table>

There are many positive aspects to this project, but the pre-application proposal will need improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria. Below is a list of requirements your proposal needs to address for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 27,048 square feet of CFA and 25 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements prior to the submittal of final project applications.
Ferrari Family Resort
Community Enhancement Program

Requirements for Participation:

Partnership Opportunities:

- TRPA strongly encourages a partnership approach between this project and the adjacent CEP proposal from KB Resorts. TRPA and the local jurisdiction staff members are very interested in working with the project proponents to ensure that the goals of the CEP and the Community Plan (CP) are implemented in a coordinated and thoughtful manner. The projects need to consider the joint design and location of the following items:
  - lake access,
  - view corridors,
  - bike trail implementation,
  - public art,
  - pedestrian friendly blending/circulation around and between sites,
  - options for Brockway Vista Road,
  - utility services,
  - water quality improvements,
  - parking,
  - pedestrian overpass, and,
  - potentially, employee and affordable housing.

The projects can still celebrate their differences, yet come together to achieve a quality, well planned, interesting Lake oriented design. A design that provides benefits to the Kings Beach community in a positive, cohesive manner and ensures the goals and objectives of the CEP and the CP are not only met, but are implemented in a manner that makes sense.

Scale, massing, height, and community character:

- It is TRPA’s understanding that the proposed structure will be limited to 35 feet based on the height of the existing structure closest to the high water mark. Please verify the proposed height on both the structures located on the Lake side and the mountain side of Highway 28. TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing CP, the Place Based planning process local and regional visions, and the CEP itself. As currently proposed, TRPA has concerns with the scale and mass of the proposed architecture as it will be viewed from the street and the Lake. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the street and/or the Lake and is located more toward the middle of the building or site. The renderings within your proposal did not appear to be stepped back, and will need to be from both the Lake and the Highway 28. This was suggested in your 4 page brochure but was not articulated in the rendering. The height of the buildings between the Lake and the highway should be significantly less than the height proposed for the buildings on the mountain side of the highway. Site context, varying step backs, roof pitch, and articulation are needed for additional height to be appropriate for your location and be consistent with the community character. TRPA realizes that there are concerns about using the existing Kings Beach community character as a guide for development; however, regardless of the physical state of the buildings, TRPA considers the mass, form
and height of existing buildings to be a useful guide for any proposed redevelopment.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc) may be appropriate. One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Please note the TRPA currently measures height from the lowest point of natural grade. Submitted elevations need to show where this point is located and how the height is being measured from this point. We look forward to further discussions would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings.

- Please specify the percentage of land coverage reduction proposed for this project. The increase in density and height should result in an overall reduction in land coverage. The existing CP requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above. Your project does propose additional reduction; please provide calculations to document the percentage.

- In presentations and in the examples shown the idea of transparency was discussed at length and was an interesting feature of the proposal. The renderings shown of the buildings from Highway 28 do not have the appearance of transparency, instead, there appears to be walls as viewed from the street. The project proponents need to explore more options for increasing transparency so one can see through the retail and into the inner courtyard or out into the view corridors.

- The examples and materials proposed are interesting and appear to be appropriate in nature and color; however, translation of these materials to proposed elevations was lost. Please provide renderings or visual simulations that better articulate the design intent and materials proposed. These need to be consistent with what is outlined in the existing Kings Beach Community Plan (pp 19 – 7).

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, your project will be visible from Lake Tahoe and a scenic assessment is required. An analysis of
how the shorezone travel route threshold is being quantifiably improved may also be necessary.

- Staff recommends that you work with Placer County to ensure that the street improvements will be designed to be consistent with the CP, the Kings Beach Commercial Core Improvement Project - KBCCIP, and CalTrans road improvements. Streetscape elements that are not a part of the KBCCIP project need to be compatible with CP, the KBCCIP, CalTrans road improvements and the other potential CEP projects. This is to ensure a consistent design is achieved for lighting, street furniture, the type of curb and gutter, sidewalk size and paving materials, etc. so there is not an unorganized mixture of designs throughout the community core areas.

*Environmental Improvements/ Environmental Improvement Program (EIP):*

- TRPA is very pleased about the proposal to remove 7,000 square feet of land coverage on sensitive land (Land Capability 1b). Provide details and specifications regarding the restoration of beach including the removal of the land coverage (buildings and fill), re-contouring of the beach to feather into the adjacent land areas, and the full retirement of the sensitive land coverage. TRPA has concerns that in order to reach the elevation where the new buildings may be located an additional revetment/protective structure will be required. Please detail how this will be minimized and the restoration will occur?

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Although your project proposes a number of environmental benefits/improvements (including the removal of land coverage from the beach (1b)), TRPA is interested in discussing a variety of other specific environmental benefits (see list below) that would be considered gains over and above the minimum project requirements and help to further meet the goals of the CEP. Written commitments regarding funding, construction, and overall maintenance/monitoring is requested.

⇒ Your proposal discusses that you will be completing your on-site Best Management Practices (BMPs) and over-sizing the facilities. Over-sizing may be beneficial, especially if this is to provide linkages to Placer County’s area-wide drainage programs including the KBCCIP and the Kings Beach Residential Erosion Control Project. The construction of key water quality facilities that provides a quantifiable reduction of sediment loads entering Lake Tahoe may be necessary on both the Lake and mountain sides of Highway 28. Diversion of storm water from the upper grid streets to a properly sized treatment facility constructed and potentially maintained by the Ferrari Family Resort would be considered an EIP contribution. We have been in discussions with Placer County and specific contributions to this end may be requested based on determined priority areas.

⇒ TRPA recommends that the proposals jointly complete the bike path improvements along Brockway Vista as outlined in the CP. Working to link this bike path between the Kings Beach Conference Center and the NTPUD Beach would also constitute an EIP contribution.
This proposed project area has an opportunity to provide direct access to Lake Tahoe which is not being realized. The pedestrian circulation and visual corridor is confusing. As stated above, a cohesive pedestrian circulation/visual corridor/Lake access plan with the adjacent CEP/KB Resorts proposal would provide multiple benefits to the project and could constitute an additional EIP contribution.

Fisheries enhancements associated with the KB Residential Erosion Control Project are currently unfunded (although substantial design work has been completed). Coordination with CalTrans and Placer County is required.

- Green building commitments: TRPA is recommending that each of the projects buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- The proposed project area (Level 1 Site) contains areas identified as open space locations. Please provide details on the use, content and size of these proposed areas.

**Housing:**

- TRPA understands that you are working with the Domus group to help meet the Ferrari Family Resort’s requirements for employee housing. This aspect of the proposal raises a number of questions. How many affordable housing units are being removed? Will these units be replaced? Specify, if any, the number of affordable housing units being lost. Are we gaining better housing, but losing units? Will all of the requirements be met regarding CA Redevelopment law and Placer County policy? How many units, and in what location will the required housing be built? Are any affordable housing units being proposed beyond that which is required per CA Redevelopment Law and Placer County policy? If so, is it moderate or affordable housing and where will it be built?

- Please provide a “Plan B” in relation to meeting your employee housing requirements. The Speckled St./Bear St. parcel is located on an Industrial Plan area that does not currently have multi-family residential as a permissible use. If a plan amendment is not approved, detail your options for meeting your requirements.

- Please note that for the use of TRPA MRBUs any moderate or affordable housing associated with your project will be deed restricted in perpetuity.
Ferrari Family Resort
Community Enhancement Program

- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

Parking:
- Facing the parking garage with residential and retail uses makes good design sense and will allow a better transition into the neighboring residential neighborhood. More details on this design are required including, elevations, types of residences, types of retail, circulation patterns, and overall design intent.

- Other opportunities to work with other CEP project proponents on a shared parking plan, and work with Placer County on an overall parking strategy should be explored and discussed in your project application. The requested reduction in parking needs to be further evaluated during the formal review of the project.

Transportation:
- Include Vehicle Miles Travel (VMT) reduction strategies and methodology.

- Provide a map of the location and distance of transit stops to the proposed project areas and the pedestrian linkages required to access these transit locations.

- Overpass is dependent on the future street improvements to be undertaken as a part of the KBCCIP and the ultimate design of the roadbed. Is valet parking been explored as a different option? Is the proposed location the best location for the overpass form a safety, pedestrian traffic, etc. perspective? TRPA recommends that these questions be addressed in conjunction with the other projects in the vicinity (including the CEP proposals).

Basic Site Information:
- Please provide final verification of the existing land coverage, land capability, units of use, etc.

- Identify where snow storage will be provided and what best management practices (BMPs) will be employed to ensure proper drainage and treatment of melting snow.

- Provide elevations and associated floor, drainage, landscaping plans that clearly articulate and depict all proposed mountain side parcels, buildings and the parking garage.

Miscellaneous CEP Items:
- Please provide updated details on how this proposal is impacted by not including the Langston residential parcel. How will Lake access be impacted?

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

- Nightly rentals are good!
Ferrari Family Resort
Community Enhancement Program

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Kings Beach community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for the Ferrari Family Resort to meet with TRPA staff and Placer County staff on Wednesday, January 16, 2008 from 9:00 AM to 11:00 AM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you on Wednesday. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Planning and Evaluation Branch

CC: John Singlaub
    Joanne Marchetta
    Jerry Wells
    John Hitchcock
    Lyn Barnett
    Paul Nielsen
    Nick Haven
    David Landry
    Melissa Shaw
    Jennifer Merchant
    Rae James
    Jim Lobue
    Allen Breuch
January 10, 2008

Susan Simon  
Simon Planning  
P. O. Box 113  
So. Lake Tahoe, CA  96156

RE: Community Enhancement Program (CEP) – Domus Kings Beach Housing Now

Dear Ms. Simon:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Kings Beach community core area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the Domus – Kings Beach Housing Now proposal’s reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the Domus proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
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There are many positive aspects to this project, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and the local jurisdiction staffs have reviewed your submission against the pre-application and program criteria. Below is a list of requirements for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 14,213 square feet of CFA and 79 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.
Requirements for Participation:

Scale, massing, height, and community character:

- TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel's hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building. The proposed height may be appropriate in this location. Site context, varying step backs, roof pitch, and articulation are needed for additional height to be appropriate for your locations and be consistent with the community character. TRPA realizes that there are concerns about using the existing Kings Beach community character as a guide for development; however, regardless of the physical state of the buildings, TRPA considers the mass, form and height of existing buildings to be a useful guide for any proposed redevelopment.

In particular, TRPA recommends that the corner section of building on Chipmunk/ North Lake Blvd. is stepped back to add two roof planes (on N. Lake Blvd.). This would provide additional articulation and interest to the building as viewed along a scenic travel route and would reduce the mass as seen by the pedestrian at street level. Additional articulation including dormers and decks on the all proposed building elevations (residential and commercial) that front streets is required to provide architectural and scenic interest and enhance the community character.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc) may be appropriate. One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Please note the TRPA currently measures height from the lowest point of natural grade. Submitted elevations need to show where this point is located and how the height is being measured from this point. We look forward to further discussions would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings.

- Please specify the percentage of land coverage reduction proposed for each project. The increase in density and height should result in an overall reduction in land coverage. The existing Community Plan requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above.
• TRPA has concerns that the current residential roof design and site locations will promote the shedding of snow directly into entrance areas on some buildings. The designs should be modified to eliminate this hazard.

• A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, portions of your project will be visible from Lake Tahoe. The scenic analysis should also include an analysis of how the scenic threshold will be potentially impacted and any impacts mitigated.

• The use of high quality natural materials including stone, wood, and alternative green building materials should be incorporated into the designs. Texture, color, form and glass reflectivity need to be considered on all buildings, especially those that front the Scenic Travel Route.

• Staff recommends that you work with Placer County to ensure that the street improvements be designed to be consistent with the CP, the KBCCIP, and Caltrans road improvements. Streetscape elements that are not a part of the KBCCIP project need to be compatible with CP, the KBCCIP, Caltrans road improvements and the other potential CEP projects. This is to ensure a consistent design is achieved for lighting, street furniture, the type of curb and gutter, sidewalk size and paving materials, etc. so there is not an unorganized mixture of designs throughout the community core areas.

*Environmental Improvements/ Environmental Improvement Program (EIP):*

• For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Your project proposes to contribute to the Kings Beach area wide water quality projects by donating land where a basin is to be constructed. A quantifiable reduction of sediment loads entering Lake Tahoe in the Kings Beach area through construction of such a facility could form the basis of the project’s EIP contribution. TRPA is fully supportive of the prospect of storm water from the upper grid streets being diverted to properly sized treatment facilities constructed and potentially maintained by Domus. TRPA has been discussing these issues with Placer County. A written commitment regarding the funding, construction, and overall maintenance/monitoring for such a facility is needed.

• Green building commitments: TRPA is recommending that each of the projects buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.
Domus Kings Beach Housing Now
Community Enhancement Program

• One of the goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. TRPA would like to encourage you and your client to continue to explore this and any other potential option for the transfer of development that will result in the realization of this goal.

Housing:
• Your proposals notes that the affordable housing will be deed restricted for a set amount of years and there after the units could be sold at market rate. Please note that deed restrictions are required in perpetuity for the use of MRBU’s for affordable housing.

Parking:
• Other opportunities to work with other CEP project proponents on a shared parking plan, and work with Placer County on an overall parking strategy should be explored and discussed in your project application. The requested reduction in parking needs to be further evaluated during the formal review of the project.

Transportation:
• Include VMT reduction strategies and methodology.

• Provide a map of the location and distance of transit stops to the proposed project areas and the pedestrian linkages required to access these transit locations.

• A kiosk with signs, maps, etc. that provides linkages to schools, community facilities, bike paths should be located on site or near the transit stops.

• Sidewalk improvements need to be incorporated into the mixed use sites with linkages to other CEP projects including the Pastore Ryan project area.

Basic Site Information:
• Please provide verification of the existing land coverage, land capability, units of use, etc.

• Identify where snow storage will be provided and what best management practices (BMPs) will be employed to ensure proper drainage and treatment of melting snow.

Miscellaneous CEP Items:
• Provide gateway feature (public art/monument) at the mixed use site on the corner of Chipmunk and North Lake Boulevard. Potential to provide a joint gateway feature with the Pastore Ryan project.

• Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

• Identify public/private open spaces/pocket parks for the residential housing and/or general public use within the proposed developments. Inclusion of functional public art and potentially play structures is encouraged.
Domus Kings Beach Housing Now
Community Enhancement Program

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Kings Beach community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for Domus to meet with TRPA staff and Placer County staff on Tuesday, January 15, 2008 from 11:00 AM to 1:00 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you next week. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

CC: John Singlaub
    Joanne Marchetta
    Jerry Wells
    John Hitchcock
    Lyn Barnett
    Paul Neilsen
    Nick Haven
    David Landry
    Melissa Shaw
    Jennifer Merchant
    Rae James
    Jim Lobue
    Allen Breuch
January 10, 2008

Wyatt Ogilvy
Ogilvy Consulting
PO Box 1636
Kings Beach, CA 96143

RE: Community Enhancement Program (CEP) – BB, LLC

Dear Mr. Ogilvy:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the Kings Beach community core area. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission (APC) and the Governing Board in February 2008.

This letter outline’s TRPA staff’s recommendation for the BB, LLC proposal’s reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the BB, LLC proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
<th>Recommended MRBU</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB LLC</td>
<td>50,000</td>
<td>3525</td>
<td>46,475</td>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

There are many positive aspects to this project, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and the local jurisdiction staffs have reviewed your submittal against the pre-application and program criteria. Below is a list of requirements for continued participation. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that 46,475 square feet of CFA and 10 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.

Requirements for Participation:
BB, LLC  
Community Enhancement Program

Scale, massing, height, and community character:

- TRPA recognizes the need to allow additional height to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building. We understand there are constraints with your triangular shaped site and want you to know that staff is open and willing to discuss additional height; however, TRPA cannot recommend the proposed height of 66 feet for Building 7. This proposed height is nearly 2X greater than allowed (36 ft.), is inconsistent with the overall heights existing within Kings Beach, and is not appropriately stepped back from Lake Tahoe Boulevard. Site context, varying step backs, roof pitch, and articulation need to be considered for additional height to be appropriate for this location. Staff recommends a substantial decrease in the proposed height and we look forward to working with you and your client on an appropriate height that will allow this proposal to move forward that achieves the goals of the program and the vision for the Kings Beach Commercial Core.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc). One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

Within your existing design, a proportionate reduction in height of the other buildings based on the reduction to Building 7 would be appropriate to ensure the scale and mass of the buildings is more in keeping with the overall existing community character. TRPA realizes that there are concerns about using the existing Kings Beach community character as a guide for development; however, regardless of the physical state of the buildings, TRPA considers the mass, form and height of existing buildings to be a useful guide for any proposed redevelopment. We look forward to further discussions would like the opportunity to share ideas and thoughts regarding the design and height of your project buildings.

- Please specify the percentage of land coverage reduction proposed for this overall project. The increase in density and height should result in an overall reduction in land coverage. The existing Community Plan requires a minimum of 5% land coverage reduction. This may be accomplished through providing landscaping pockets, planter beds, etc; however, an additional reduction needs to be provided to be in accord with the increased height proposal noted above.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. Additionally, portions of your
project will be visible from Lake Tahoe. The scenic analysis should also include an analysis of how the scenic threshold will be potentially impacted and any impacts mitigated.

- The use of high quality natural materials including stone, wood, and alternative green building materials should be incorporated into the designs. Texture, color, form and glass reflectivity need to be considered on all buildings, especially those that front the Scenic Travel Route.

- TRPA recommends that a new approach to the parking garage should be incorporated into the design of the façade to ensure it is more compatible with the adjacent residential neighborhood. Ideas regarding this new approach may include the integration of other uses around periphery (i.e. Commercial/Residential), a potential for greater setbacks/step backs from the residential (north) side, and/or articulation to look like a retail/residential building, the use of art to celebrate the parking garage, etc. Please note that the maximum height for the parking garage would need to be consistent with the current Code of Ordinances taking into consideration the comments about a new approach to the design. We look forward to further discussions about the possibilities and potential designs for this structure. Additional requirements regarding the parking capacity are discussed in the Parking section below.

- Staff recommends that you work with Placer County to ensure that the street improvements be designed to be consistent with the CP, the KBCCIP, and Caltrans road improvements. Streetscape elements that are not a part of the KBCCIP project need to be compatible with CP, the KBCCIP, Caltrans road improvements and the other potential CEP projects. This is to ensure a consistent design is achieved for lighting, street furniture, the type of curb and gutter, sidewalk size and paving materials, etc. so there is not an unorganized mixture of designs throughout the community core areas.

Environmental Improvements/ Environmental Improvement Program (EIP):

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Although your project proposes a number of environmental benefits/improvements, those benefits that can be considered gains over and above the minimum project requirements were not easily identifiable. Your proposal discusses that you will be completing your on-site Best Management Practices (BMPs) and that you may contribute to the Placer County Environmental Improvement projects (i.e. Kings Beach Commercial Core Improvement Project – KBCCIP) and/or the Kings Beach Residential Erosion Control Project (KBRECP). Completion of your on-site BMPs is a requirement of any project and does not constitute an independent EIP contribution. TRPA has had verbal discussions with you, your client, and your overall team about providing additional water quality treatment facilities to implement/link to a portion of the Placer County’s storm water management for the KBCCIP and the KBRECP. A quantifiable reduction of sediment loads entering Lake Tahoe in the Kings Beach area through construction of such a facility could form the basis of the project’s EIP contribution. TRPA is fully supportive of the prospect of storm water from the upper grid streets being diverted to properly sized treatment
facilities constructed and potentially maintained by BB, LLC. TRPA has been discussing these issues with Placer County. A written commitment regarding the funding, construction, and overall maintenance/monitoring for such a facility is needed.

- Green building commitments: You have provided detailed information on how your project would score against the LEED program system. TRPA is recommending that each of the project’s buildings need to meet the minimum LEED certification. This is to ensure that green building methodology will be completed and a long term commitment to maintain this certification is undertaken. Additionally, TRPA is also recommending that the project be scored against the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- One of the important goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. The proposal put forth a potential idea of moving the library out of a Stream Environment Zone (SEZ), restoring that site, and locating the library in the proposed project area on higher capability land. TRPA would like further details on the viability of this proposal and a commitment to its completion if it can be accomplished. TRPA would like to encourage you and your client to continue to explore this and any other potential option for the transfer of development that will result in the realization of this goal.

**Housing:**
- TRPA understands that you are working with the Domus group to help meet BB, LLC’s requirements for employee housing. This aspect of the proposal raises a number of questions. How many affordable housing units are being removed? Will these units be replaced? Specify, if any, the number of affordable housing units being lost. Are we gaining better housing, but losing units? Will all of the requirements be met regarding CA Redevelopment law and Placer County policy? How many units, and in what location will the required housing be built? Are any affordable housing units being proposed beyond that which is required per CA Redevelopment Law and Placer County policy? If so, is it moderate or affordable housing and where will it be built?

- Please note that deed restrictions are required in perpetuity for the use of MRBUs for affordable housing.

- A minimum of eight residential units per acre for the multi-residential portion of your proposal is required to meet minimum transit oriented development standards.

**Parking:**
- In addition to the façade improvements on the parking garage, the overall capacity needs to be evaluated in relation to the proposed mix of uses on site,
BB, LLC
Community Enhancement Program

options for shared parking, the potential/opportunities to remove cars from the Kings Beach parking lot (Park and Conference Center areas), and other opportunities to work with other CEP project proponents and Placer County on a joint parking strategy.

Transportation:
- Include VMT reduction strategies and methodology.

- Provide additional information on the proposed bus shelter and the potential use of the existing Scraps Building as a transit center. Working with Placer County, please provide details regarding how this project contributes to the overall Placer County transit program and the benefits to the community, potential reduction in VMT, etc.

- Provide assurances that a transit stop is needed in this location and will be supported by the local transit authority.

- A kiosk with signs, maps, etc. that provides linkages to schools, community facilities, bike paths should be located on site in or near the transit center/shelter.

Basic Site Information:
- Please provide verification of the existing land coverage, land capability, units of use, etc.

Miscellaneous CEP Items:
- Provide details and commitments in relation to the Placer County Government Center. Provide written ideas, options and or commitments for the site if the Government Center is located elsewhere?

- Project should include some form of functional public art and potentially play structures/etc.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

- Identify public/private open spaces for the residential housing and/or general public use within the mixed use development.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local Kings Beach community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for BB, LLC to meet with TRPA Tahoe Basin staff and Placer County staff on Tuesday, January 15, 2008 from 9:00 AM to 11:00 AM at the TRPA offices. This meeting is to review the content of this
BB, LLC
Community Enhancement Program

letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.

I look forward to seeing you next week. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

CC: John Singlaub
   Joanne Marchetta
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   John Hitchcock
   Lyn Barnett
   Paul Neilsen
   Nick Haven
   David Landry
   Melissa Shaw
   Jennifer Merchant
   Rae James
   Jim Lobue
   Allen Breuch
January 17, 2008

Steve Noll
Design Workshop
P.O. Box 5666
Stateline, NV 89449-5666

RE: Community Enhancement Program (CEP) – Former Mikasa

Dear Mr. Noll:

Thank you for submitting a pre-application for a mixed use project under the Community Enhancement Program. TRPA is pleased to be working with you and your clients to achieve revitalization within the South Y in the City of South Lake Tahoe. We look forward to the benefits associated with that revitalization including environmental improvements, pedestrian friendly social gathering places, and increased economic vitality. Staff will be bringing its recommendations regarding the reservation of commodities and the conditions that apply to the nine CEP proposals to the Advisory Planning Commission (APC) and the Governing Board in February 2008.

This letter outlines TRPA staff’s recommendation for the former Mikasa proposal for the reservation of commodities including commercial floor area (CFA), tourist accommodation bonus units (TABU) and multi-residential bonus units (MRBU). As you are aware, staff recommended reservation of commodities to the Performance Review Committee, and is also recommending that all nine CEP pre-applicants be invited to make application for their proposals to both TRPA and the local jurisdictions. TRPA staff is recommending that the commodities outlined in the table below be reserved for the former Mikasa’s proposal.

<table>
<thead>
<tr>
<th>CEP Projects</th>
<th>Requested CFA</th>
<th>Proportional Reduction of 7.05% *</th>
<th>Recommended CFA Reservation</th>
<th>TABU</th>
<th>Recommended MRBU</th>
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<tr>
<td>Former Mikasa</td>
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<td>43,872</td>
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The revitalization of the former Mikasa/Miller’s Outpost shopping center at the gateway to South Lake Tahoe is a much needed and supported project. The proposed project has many benefits relating to the CEP, but the pre-application proposal needs improvement to be accepted by TRPA for formal review. This letter identifies requirements for continued participation that staff recommends be addressed at the time TRPA receives an application for the project. TRPA and the local jurisdiction staff members have reviewed your submittal against the pre-application and program criteria and have listed the requirements below. If these items are not completed/addressed at the time the project application is submitted to the Agency, staff is recommending that the 15,801 square feet of CFA and 24 MRBU’s be returned to the Special Projects pool. Staff is available to work with the pre-applicants to ensure that they have met these requirements, prior to the submittal of final project applications.
Requirements for Participation:

*Scale, massing, height, and community character:*

- The architectural examples provided in your pre-application appear to be compatible with community character, scale and massing.

- TRPA recognizes the need to allow additional height for mixed use developments to achieve the visions espoused in the existing Community Plan; the place based planning process local and regional visions, and the CEP itself. Staff likes to use the analogy of a camel’s hump where the greatest height is significantly set back from the streets and is located more toward the middle of the building or the middle of the block of development. Site context, varying step backs, roof pitch, and articulation need to be considered for additional height to be appropriate for this location. The renderings submitted appear to be consistent with these ideas and the proposed height of 50 feet for the building at the back of the site may be appropriate for this location. Staff looks forward to working with you and your client on ensuring the project meets the goals of the program and the vision for the South Y community.

Staff has used the initial review of the CEP proposals to look at possible amendments to the Code of Ordinances to allow additional height for mixed use projects located within Community or Master Plans. TRPA has determined that mixed use projects may gain additional height if findings can be made that a project meets specific goals discussed in the Regional Vision (i.e. gathering places, transit oriented development, inclusion of affordable housing, etc.) and other environmental improvements that accelerate the attainment of thresholds (i.e. the reduction land coverage, etc). One potential idea is to amend TRPA Code Section 22.4.B to allow additional height beyond the base allowed for mixed use projects for a reduction in land coverage. Other findings per above could be incorporated to provide a suite of options for additional height if appropriate environmental and mixed use benefits were received.

- TRPA recommends that the project proponent explore opportunities to provide multiple faces to appropriate buildings so that adjacent neighborhood access and pedestrian/bicycle linkages can be integrated into the design to be inclusive of the surrounding neighborhood area as well as the South Y intersection.

- A Scenic/Visual analysis of roadway unit and how it will enhance the scenic travel route rating will be required for this project. The scenic study should also include an analysis of how the scenic threshold will potentially be impacted and any impacts mitigated. Texture, color, form and glass reflectivity need to be considered on all buildings, especially those that front the Scenic Travel Route.

*Environmental Improvements/ Environmental Improvement Program (EIP):*

- For commodities to be reserved and projects to be approved, CEP projects must commit to substantial environmental improvements, which must include specifically identified EIP projects. Your project proposes a number of environmental benefits/improvements; however, TRPA is focused on those EIP Projects that provide gains over and above the minimum project requirements. To that end, we
has reviewed your proposed EIP contributions and have the following thoughts, concerns and alternative recommendations:

⇒ One option for an EIP contribution identified in your proposal is the reduction and treatment of stormwater run-off from your own site with opportunities to exceed compliance and make an amenity. Providing erosion control facilities for the existing site is not considered an EIP contribution as it is a requirement at the site to retrofit the property; however, there may be portions of your site that could provide treatment for runoff from the right-of-way or other locations on-site and design details are required for this option to be realized. What parcels will be included? What water will be treated? And have you had the opportunity to integrate this with Caltrans/City of South Lake Tahoe/your neighbors? What types of facilities would be employed? The City is in the process of undertaking a Stormwater Management Plan approach and TRPA encourages you to explore options for area-wide water quality treatment with the City of South Lake Tahoe Department of Public Works and CalTrans to determine the best approach and where priority facilities should be located.

⇒ It may also be appropriate to work with the City of South Lake Tahoe and CalTrans on determining another method to contribute to the area-wide stormwater treatment.

⇒ The draft Tahoe Valley CP targets a number of Stream Environment Zones with the CP area for restoration. Explore removal of existing commercial uses out of these targeted SEZ areas for relocation to your site and undertake the restoration of the targeted SEZ, including the small portion that is located on your site. This may be an option to explore in conjunction with your neighboring CEP project at the South Y Center/Kmart site.

⇒ The City will be undertaking a basic intersection improvement at the Y next summer (2008). Coordinate with City and the South Y Center/Kmart site on design and implementation of EIP #795 South Y intersection improvement project to facilitate construction of additional (beyond that which is a minimum requirement for any project located in a CP) pedestrian and bicycle, and landscaping street frontage improvements and/or maintenance agreements. Additionally, the design of these improvements should/could help to inform the TVCP gateway design standards and streetscape improvements for the Y core/gateway area.

⇒ Another option is to work with the City to explore how this project might be able to participate in the EIP for US 50 Phase II.

⇒ Specific project related scenic improvements to a travel route that is not in attainment would be considered a requirement of any proposed project. If off site improvements are being considered, please provide details on those proposals.

⇒ Improvements to the trolley stop are a positive step and may be considered a portion of your EIP contribution.

⇒ TRPA requires a confirmation on the project proponent’s commitment to move forward with a selected or various portions of EIP projects going forward.

- Green building commitments: TRPA is recommending that each of the project’s buildings need to meet the minimum LEED certification. This is to ensure that green
Former Mikasa
Community Enhancement Program

building methodology will be completed and a long term commitment to maintain this certification is undertaken.

- Additionally, TRPA is also recommending that the project be scored against the criteria in the pilot LEED for neighborhoods program and obtain a minimum score of 40. This second scoring would be reviewed by TRPA as the program is only in a pilot stage and projects are unable to receive a certification at this time. The reason for this second scoring is that this pilot program has very similar goals to the CEP and it is a nationally recognized quantifiable way to ensure that the mixed use projects are achieving those goals.

- One of the important goals outlined in the TRPA Code of Ordinances and the CEP is to promote the transfer of development that results in substantial environmental benefits. TRPA would like to encourage you and your client to continue to explore any potential option for the transfer of development that will result in the realization of this goal.

Housing:
- TRPA recommends that the project include employee housing either on or within close proximity off site to address mitigation requirements for new employees and potentially provide a net gain in employee housing. Also detail if the proposed 24 live/work lofts would satisfy the employee requirement.

- Please note that deed restrictions are required in perpetuity for the use of MRBU for affordable and moderate income housing.

- TRPA has been considering applying our transit oriented development (TOD) standards to these mixed use projects which requires a minimum of eight residential units per acre for the multi-residential portion of your proposal. To meet this standard your project would require a minimum of 27 units. TRPA is considering other methods of measurement to meet TOD standards in a mixed use areas which may limit the residential density requirements for this parcel. We look forward to discussing these potential options with you at our meeting.

Parking:
- Indicate what specific strategies will be employed to obtain the reduction in parking that is being proposed. How is this project working with the adjacent property owners, the City of South Lake Tahoe, and overall Y area to manage parking and pedestrian linkages? Detail the off-site shared parking strategies proposed in your pre-application.

- Provide snow storage details.

Transportation/ Recreation:
- Include VMT reduction strategies and methodology.

- TRPA has concerns with your current traffic access and circulation pattern proposed for the site. TRPA recommends that the access along Emerald Bay Road/Hwy. 89 be moved/redesigned. Additionally, provide details on your circulation and access throughout the site and potentially through adjacent properties.
Former Mikasa
Community Enhancement Program

- Provide specific details including confirmation and commitments regarding the proposed transit improvements. This is to ensure connections are coordinated and improved with existing public transportation authorities including transport to recreation facilities/sites (Ski areas, beaches, trailheads, etc.).

- Additionally, TRPA recommends that a kiosk with signs, maps, etc. that provide linkages to schools, community facilities, bike paths, trail heads, etc. be located on site in or near the transit shelter.

- Provide details and commitments for implementation regarding bike and pedestrian trail linkages, intersection linkages, parking lot crossing features and improvements to these areas

*Basic Site Information:*
- Provide specific verifications and calculations for the existing land coverage, land capability, CFA, Units of Use, etc.

- Provide complete elevations and floor plans with details on the style, building materials, colors, proposed height, and the use of green technology for each building proposed.

- Please provide details on the number and types of proposed mix of uses for the site using TRPA Chapter 18, Permissible Uses as a guide.

Please note the above list of requirements and concerns is based on your pre-application concept proposal. An exhaustive project review/environmental analysis has not been undertaken on this concept proposal. It is likely that additional information will be required once your application is received by the Agency and the local jurisdiction and environmental/project review commences.

Again, TRPA and our local jurisdiction partners are pleased to continue to work with you and your clients to achieve net gain solutions for the local South Y community and for the entire Lake Tahoe Basin. As you are aware, a meeting is scheduled for Mikasa to meet with TRPA staff and Placer County staff on Friday, January 18, 2008 from 1:00PM to 3:00 PM at the TRPA offices. This meeting is to review the content of this letter and to provide an opportunity for open dialogue on potential solutions. Please confirm who will be attending the meeting.
Former Mikasa
Community Enhancement Program

We look forward to seeing you Friday. Please contact me if you have any questions via phone on 775.589.5225 or email bhunt@trpa.org.

Sincerely,

[Signature]

Brenda Hunt
Associate Planner II, Land Use
Pathway 2007 Branch

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