Date: January 18, 2012
To: TRPA Local Government Committee
From: TRPA Staff
Subject: Recommendations on Transition of Permitting Jurisdiction

Requested Actions: Approve staff recommendations on transitioning to local government permitting jurisdiction.

Staff Recommendations: Staff recommends that the Local Government Committee approve the recommendations on transitioning of local permitting jurisdiction.

Description/Background: As mentioned in previous memoranda to the Local Government Committee, each local government has designated the following staff members to work with TRPA staff on this project. Their assistance has been invaluable in preparing these recommendations.

- Carson City/County, Nevada – Lee Plemel
- Douglas County, Nevada – Brandy McMahon, Mimi Moss, Candace Stowell
- El Dorado County, California – Peter Maurer, Tom Burnette
- Placer County, California – Steve Buelna, Crystal Jacobsen, Rae James, Jennifer Merchant, Paul Thompson
- City of South Lake Tahoe, California – Hilary Roverud
- Washoe County, Nevada – Eva Krause, Eric Young

There are three items to be addressed with transitioning of permitting to local governments:

1. Types of permits to be processed by local governments – Based on the goals and policies in the current draft 2012 Regional Plan, TRPA will retain the responsibility to process the following:

   a. All development within the High density Tourist District
   b. All development within the Shorezone of Lake Tahoe
   c. All development within the Conservation District
   d. All development meeting criteria on the following table:

<table>
<thead>
<tr>
<th></th>
<th>Regional Center</th>
<th>Town Center</th>
<th>Not in Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>200,000 sq. ft.</td>
<td>100,000 sq. ft.</td>
<td>50,000 sq. ft.</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>100,000 sq. ft.</td>
<td>50,000 sq. ft.</td>
<td>25,000 sq. ft.</td>
</tr>
</tbody>
</table>
Permitting of all other activities can conceivably be processed by local jurisdictions once they have a general or master plan, code, and zoning found in conformance with the Regional Plan, and for which there is a memorandum of understanding with TRPA. It is recommended that, within the parameters listed above, local governments be allowed to process applications for all activities they decide to permit. Local governments will continue to be able to process applications allowed by existing memoranda of understanding until replaced.

2. Timeframe for permit processing – The TRPA Compact states that the agency shall take final action on complete applications within 180 days unless the applicant agrees to an extension. In addition, the TRPA Rules of Procedure set standards for determining completeness of an application, require that a report be presented to the Governing Board identifying and describing applications that have been in process for more than 120 days after being deemed complete, the reasons that processing has taken that long, and recommendations, if any, on further processing of the application. In California local governments are required to comply with the Permit Streamlining Act. In the parts of Nevada counties outside of the Tahoe Basin there are maximum timeframes for processing of different types of applications. It is recommended that the local governments be able to decide whether to utilize the same timeframes in the Compact and Rules of Procedure or those currently being used by that local government, provided they do not exceed the Compact and Rules of Procedure timeframes.

3. Fees and funding for permit processing functions – In accord with the TRPA Strategic Plan, staff is revising the funding model for TRPA permit processing. The model includes the following four components:

   a. Standard processing costs – This is a flat fee for processing of all applications to cover the cost of accepting the application, entering the appropriate data into the tracking system, determining completeness, public notice, printing and distribution of the staff report, etc. The fee will cover the fully loaded hourly cost for staff (i.e., hourly salary and benefits) as well as the indirect costs described in item 3 b.

   b. Indirect costs associated with the standard processing costs - These costs include a portion of the costs for the Executive Director, Operations, External Affairs, Legal Counsel, Finance, Human Resources, etc. The hourly indirect cost percentage for TRPA has not been determined at this point, but the following are provided as examples. The indirect cost for building permit processing in Reno, Sparks and Washoe County is approximately 20% of the fully loaded hourly cost for staff. At the University of Nevada the total indirect costs charged to grants are slightly more than 40% of the grant.

   c. Application review fee – The applicant will have the choice of paying for TRPA staff to review the application or paying the cost for a private consultant to review the application. In either case, the draft staff report will be reviewed and issued in final form by TRPA staff as part of the standard processing charge. The TRPA staff cost will be based on the fully loaded hourly cost for staff and any other direct costs (e.g., EIS consultant). The consultant cost will be based on an amount agreed to beforehand.

   d. Indirect costs associated with application review fee - Should the applicant decide to utilize TRPA staff to review the application, the same indirect costs described above will in item 3 b. be added.

It is recommended that the fees charged by a local jurisdiction include some or all of the
components above, as deemed appropriate by that jurisdiction. TRPA will not have any involvement in review or approval of these fees. The revenues from these fees should be kept by that jurisdiction.

In addition, a standard processing fee for TRPA should be charged by the jurisdiction and transferred to TRPA. It would cover the TRPA direct and indirect costs for monitoring (i.e., transferring or entering the appropriate data into the TRPA tracking system), for checking a sample of projects, and for preparing an annual report on monitoring and review results.

All of the three items above can be included in the memoranda of understanding with local jurisdictions.

Recommendations for State and Federal agencies will be scheduled for the February meeting of the Local Government Committee or the next meeting after the January (i.e., this) meeting.

Recommendations: In summary, staff recommends that the Local Government Committee approve the recommendations on 1) types of permits to be processed by local governments, 2) timeframe for permit processing, and 3) fees and funding for permit processing functions.

Contact Information: If you have any questions, please contact John Hester, Planning Director, at jhester@trpa.org or 775.589.5219.