TO:        Mr. Jim Baetge, Hearing Officer
           Tahoe Regional Planning Agency
FAX:        775. 588.4527
FROM:      David Jinkens, City Manager
           FAX:  530.542.4054
PAGES:    5 (INCLUDING COVER)
SUBJECT: GONDOLA VISTA PROJECT – HEARING ON 9/29/05

Dear Mr. Baetge:

Here is a letter that I would appreciate you making part of the record for the above-mentioned project.

Thank you!

[Signature]

Office of the City Manager • 1052 Tata Lane • South Lake Tahoe, California 96150-6324
City Manager • (530) 542-6045 • FAX (530) 542-4054
September 27, 2005

Mr. Jim Baetge
Hearing Officer
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, Nevada 89449

Re: Gondola Vista

Dear Mr. Baetge:

I only recently learned of your hearing on September 29, 2005. I had planned to attend, but unfortunately, I have a pre-scheduled meeting with staff of the California Integrated Board in Placerville that afternoon regarding our source reduction and recycling plan extension, and I am unable to attend the hearing. I apologize for being unavailable that day for the hearing and presenting testimony to you in person.

I am writing to you regarding the proposed Gondola Vista project. As you know, the proposed project is located on the mountain side of Montreal Road, adjacent to the Gondola's right-of-way and Van Sickle State Park. This 3+ acre parcel is located within the Stateline/Ski Run Community Plan.

Originally, the proposed site was conceived as one that would be available for affordable housing. I am informed and verified with City staff that prior to proceeding with the currently proposed market-rate project, project proponents met with the City’s Housing Coordinator to explore developing the site for affordable housing. Unfortunately, the needs for subsidy to make the project financially feasible were not available from the City/RDA. The developer/owner of the property subsequently proposed the present 22 unit market-rate project.

As you know, the City of South Lake Tahoe and the City Redevelopment Agency are committed to addressing affordable housing needs in the City and the Region. I have attached a copy of a summary of City/RDA assisted projects that have been funded to date in cooperation with private-sector investment. We have more projects in the pipeline. As you can see, the City’s/RDA’s commitment to affordable housing is strong,
and its commitment will continue. Affordable housing projects and opportunities are being proposed and undertaken throughout the City’s corporate boundaries. This market-rate project does not detract or take away from our goal and commitment to providing affordable housing.

The City’s General Plan Housing Element and State law encourages and directs cities in California to provide housing opportunities for all income levels. The proposed project, taken in the context of our overall housing and affordable housing strategy and effort, is consistent with these goals. This new project adds value to the area, compliments and supports the existing Heavenly Village Project (Park Avenue), is constructed to meet the highest standards in building quality and existing environmental protection requirements, and it does not detract from our overall goal of meeting affordable housing needs in the City.

I am respectfully requesting your serious review and consideration of this request, and I appreciate your time and effort in this regard.

Sincerely,

[Signature]

DAVID M. JINKENS, MPA
City Manager & Executive Director, STRA

C: Mayor and Council (w/attachment)
   Community Development Director (w/attachment)
   Redevelopment Manager (w/attachment)
   File

Attachment 1
September 27, 2005

SUMMARY OF CITY OF SOUTH LAKE TAHOE/SOUTH TAHOE REDEVELOPMENT AGENCY AFFORDABLE HOUSING SUCCESSES

Rental Affordable Housing Projects:

- **Tahoe Pines Apartments** - 28 units of family affordable housing for low- and very low-income persons constructed with $1,000,000 of City grant funding;
- **Tahoe Senior Plaza** - 45 units of senior housing for very low-income person 62 years and older constructed with 1,027,381 of City grant and RDA funding;
- **Tahoe Valley Townhomes** - 70 units of family housing for low- and very low-income persons rehabilitated with $2,786,775 of grant funding;
- **Evergreen Apartments** - 26 units of family affordable housing for low and very low-income housing currently under construction with $3,850,000 of City grant and RDA funding;
- **Sky Forest Acres** - 18 unit housing project for very low-income persons with disabilities anticipated to start construction May of 2006 with $1,959,392 of City grant and RDA funds committed to the project;
- **Sierra Garden Apartments** - 76 unit of family affordable housing for low and very low-income persons anticipated to start rehabilitation on May of 2006 with $5,300,000 of grant funds in the process of being awarded and/or committed by City; and
- **Tahoe Senior Plaza II** - 33 units of senior housing for very low-income seniors anticipated to start construction in May 2007 with $3,455,000 of City grant and RDA funds committed to the project;

- Total Amount of City Grant and RDA funding for projects: **$19,378,548.**
- Total Number of Units: **296**

First-Time Homebuyers:

- To date, the City has made **39 loans** to low income first-time homebuyers to purchase single family residence within the City by offering deferred payment second mortgages at low interest rates.
- Loan amounts ranged from $25,000 up to $150,000.
- Total amount of funding from City grants and RDA funds is **$2,173,595.**
• In addition, the City is working with St. Joseph Community Land Trust on a
demonstration project for moderate-income housing and has committed a
$140,000 of RDA funds for land acquisition.
• The City's Redevelopment Agency has 3 other parcels that could also be
developed as moderate-income housing under the CLT model using Low
and Moderate Income Housing Funds.

**Housing Rehabilitation Project of 7 or Less Units:**

• To date, the City has made **48 loans** to owners of housing units occupied
by low-income families for housing improvements by offering low interest
(0% to 3%), amortized or deferred payment loans.
• Loan amounts range from $955 to $160,833.
• Total amount of funding from City grants and RDA funds is $1,664,279.
• The City was recently awarded an additional $900,000 of grant funds to
continue operating this program.

**Illegal Unit Conversion Program:**

• Under this program, the City has authorized the conversion of **23 illegally
constructed units to be brought into compliance with health and safety
standards and other applicable codes, and then deed restricted as
affordable housing for the life of the unit.
• Cost of bringing the illegal unit up to code is paid by the property owner.
• Only involves City staff time for research and inspections paid through an
application fee.
• Program is on-going.

**Grand total of all affordable housing units assisted or in the process of being
assisted: 410 units.**

**Grand total of all City grant and RDA funds expended, committed or in the
process of being obtained for affordable housing: $24,256,422.**

Summary prepared and submitted by Patrick Conway, Housing Coordinator,
Department of Redevelopment and Housing, City of South Lake Tahoe, CA