



4. GROWTH MANAGEMENT & HOUSING



PURPOSE

The purpose of the Growth Management & Housing Element is to review current strategies to manage growth in Douglas County, and to establish an adequate amount of housing inventory to meet the income levels and demands of County residents, without compromising the quality of life of our community. This Element includes a review of the County's Building Permit Allocation, Growth Management Ordinance, Transfer Development Rights program and an overview of the housing sales and trends.

GOALS

The following goals, policies, and actions for the Douglas County Growth Management Element set forth future priorities for the county.



Goal 1

TBD



Goal 2

TBD



Goal 3

TBD



Goal 4

TBD



Goal 5

TBD

POLICIES



Policy 1

TBD



Policy 2

TBD



Policy 3

TBD



Policy 4

TBD



Policy 5




TBD

HOUSING & GROWTH MANAGEMENT IN DOUGLAS COUNTY

HOUSING INVENTORY AND MARKET SEGMENTS

According to the Center for Regional Studies, the College of Business, University of Nevada, Reno there are about 25,367 housing units in Douglas County. Approximately 75% of the current housing stock are single-family detached units, 12% are single-family attached, and 6% are multi-family residential units with another 7% manufactured type housing.

Figure G1 Housing Types

Single Family Detached	Single Family Attached	Multifamily
A free standing dwelling with one or more stories that shares no common wall with any other dwelling. Includes site-built, modular, and manufactured homes.	Two or more attached dwellings with one or more stories that share a common wall on at least one side. Land may be under separate ownership.	A multi story structure with at least 4 dwellings and at least 2 or more stories of dwellings. Common walls are shared and multiple units are stacked.
House	Townhouse Duplex Triplex	Apartment building Garden Apartments
		

Source: Douglas County Assessor

Figure G2 – Regional Housing Inventory, 2020

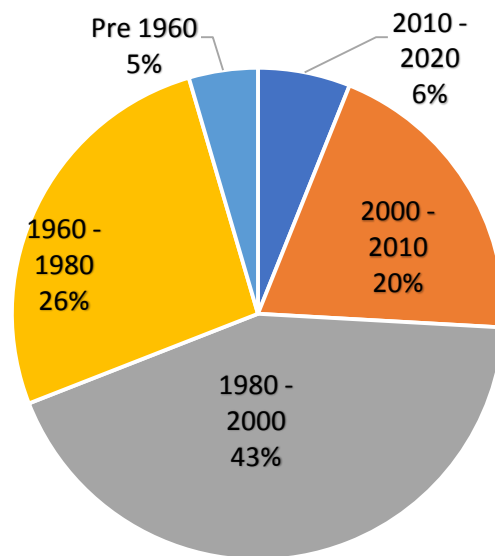
The County housing market includes two submarkets: **East Fork Township** and **Tahoe Township**. The Tahoe Township market continues to reflect the higher housing prices associated with real estate in the Tahoe Basin. The housing market in the Tahoe Township is also more influenced by the vacation home rental industry. The housing market in the East Fork Township remains dominated by single-family detached dwellings, with relatively few multi-family units constructed during the last ten years. The housing markets in both East Fork and Tahoe Townships have been experiencing rebounds after the Great Recession, with various ZIP code areas experiencing sales price increases between 28% (Carson Valley) and 38% (Lake Tahoe) year-over-year as of September 2020.

Home buying increase has also been fueled by historically low interest rates. Improved housing markets will result in improved employment numbers for construction and related industries, but will also affect housing affordability, especially if development of lower price-point products and/or rental inventory continues to shrink in favor of exclusively expensive homes.

In 2020, The National Low-Income Housing Coalition (NLIHC) identified Douglas County as the third most expensive housing market in Nevada after Clark County and the Reno MSA. When compared to the latter two, however, Douglas County has a significantly lower percentage of renters, 30% versus 47% and 42%, respectively.

Figure G3 – Year Built, All Housing Units**AGING INVENTORY**

Most of Douglas County's housing units, upwards of 74%, were built prior to 2000. Only 6% of the housing units were built in the last ten years.



Source: Center for Regional Studies, The College of Business, University of Nevada, Reno; Data provided by the Douglas County Assessor's Office

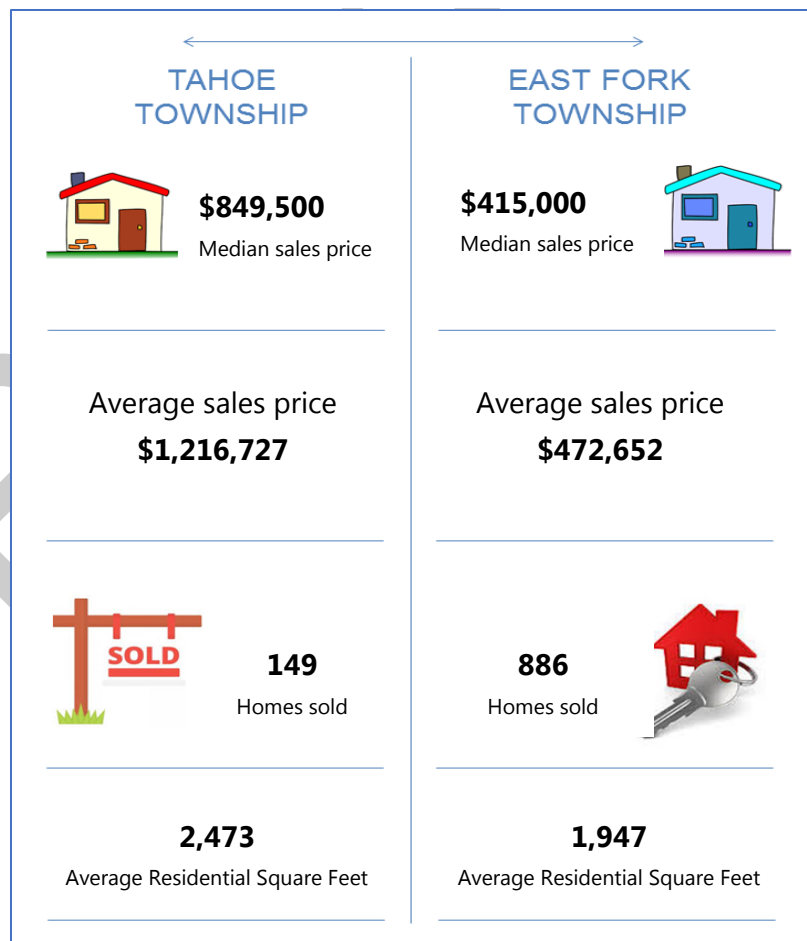
WORKFORCE AND AFFORDABLE HOUSING

At the current time, services related to the housing in Douglas County are provided by the Douglas County Social Services (DCSS) and the Community Development Departments (DCCD). DCSS receives federal and state funding to provide emergency housing vouchers and case management. DCCD reviews all development proposals, applies for Community Development Block Grant (CDBG) funding on behalf of the County, Towns, and non-profit organizations, and monitors the deed restricted units at Arbor Gardens.

The County is in the process of adopting a memorandum of understanding (MOU) with the Nevada Rural Housing Authority which supports the development of affordable

housing, rehabilitation of existing structures, and various affordable housing initiatives. One of the first steps outlined in the MOU is to develop a task force to review impediments to affordable housing. Many low-income renting families spend over half of their income on housing costs, largely due to stagnating wages combined with overall living cost increases. Only very low-income families qualify for affordable housing programs, leaving many in the “limbo” of not making enough money to feel secure, but making too much to qualify for assistance. Moreover, not everyone that is entitled to participating in assistance programs gets help. Under those conditions, a growing number are living one misstep or emergency away from eviction across the nation. Evictions are a dramatic experience for every person involved, especially the tenants that lose their home and that in most cases will have lifelong consequences for them and their families.

Figure G4 – House Sales Information 2019



Source: Douglas County Assessor's office (2019)

Employee Housing

The lack of affordable housing in Douglas County, based on the family's income level, makes it difficult to recruit new public and private sector employees. This directly impacts economic development strategies, and during past stakeholder interviews a similar issue has been brought up as a repeated comment from a variety of employers. Higher house pricing and a lack of housing type diversification leads employees to choose to live outside of Douglas County and commute to work. Similarly, broad amounts of employment and educational opportunities for younger people of working age generates a reverse commute pattern of County residents living in single-family homes but travelling daily towards Carson City and Washoe County. This adds to traffic congestion on County, state, and federal roads, particularly on U.S. 395. Achieving a better balance of housing and job inventory diversity and combination could minimize certain infrastructure costs, negative externalities, and ultimately increase the overall quality of life in the County. Developers should be encouraged to recognize this need in the planning process. The County should consider incentives during the permit process to encourage new developments to include these types of units within their proposed development.

Exceptions for Affordable Housing

The County's Growth Management Ordinance has been amended over the years to provide exemptions for certain types of housing. At the current time, deed restricted affordable housing is exempted from the Growth Management Ordinance and developers do not need to secure allocations for the affordable units. All property owners who wish to construct an accessory dwelling unit (ADU) on their property, however, must currently apply for a Building Permit Allocation under the County's Growth Management Ordinance. Since many of the ADUs provide affordable housing for relatives and/or a small number of tenants, revising the Growth Management Ordinance to exempt ADUs from portions of it would be beneficial to our residents that fall within lower income brackets.

Douglas County adopted the Density Bonus and Affordable Housing Agreement Ordinance in 1996. Prior to 2001, the ordinance allowed affordable housing developers to request a density bonus of up to 25% where either: a) up to 20% of the units are affordable to households earning between 51 and 80% of the County's median income; or b) at least 15% of the units are affordable to households earning up to 50.9% of the median income. In 2001, the County amended this ordinance to also allow a density bonus if at least 20% of the units are owner-occupied single-family residences for households with incomes up to 110% of median income. The density bonus ordinance requires developers to record a deed restriction maintaining affordability for 30 years for

rental housing or 15 years for for-sale housing. The only development containing affordable owner-occupied housing is Arbor Gardens. The 160-unit development includes 78 deed restricted units, most of which were purchased between 2003 and 2006. The Affordable Housing Agreement for Arbor Gardens requires the developer to restrict the sale of these homes to households with incomes at 110% or less of the



County median income. The Fiscal Year 2020 Median Income in Douglas County for a family of four was \$75,400.

Applying the 110% income qualification would mean that a family of four could have a household income as high as \$82,940. The 15-year deed restrictions for the affordable units at Arbor Gardens began to expire in 2018. Although Douglas County Community Development communicates with realtors who represent potential buyers of deed restricted units to ensure the potential buyer meets the income restrictions, it has been noted that some of the deed restricted units have either been rented or else sold to buyers who are not income qualified. The Density Bonus Program was last used in 2007 for the Summit Crest Apartments on Mica Drive in Indian Hills General Improvement



District.

There are seven locations within Carson Valley (see Diagram 1) that utilize and offer affordable units to the public, totaling 309 units. Of the products available, Arbor Gardens is the only one that includes detached single-family residences. Parkway Vista (30 units) is the only senior living complex. Both are located within the Town of

Gardnerville. One complex, Summit Crest Apartments, is located in Indian Hills. The remaining 4 apartment complexes are located within the Towns of Minden and Gardnerville containing 173 units. The Tahoe Basin (Diagram 2) has four apartment complexes available containing 133 units of affordable housing. Additional housing is needed in the Tahoe Basin.

DRAFT

DIAGRAM 1– AFFORDABLE HOUSING IN THE EAST FORK TOWNSHIP

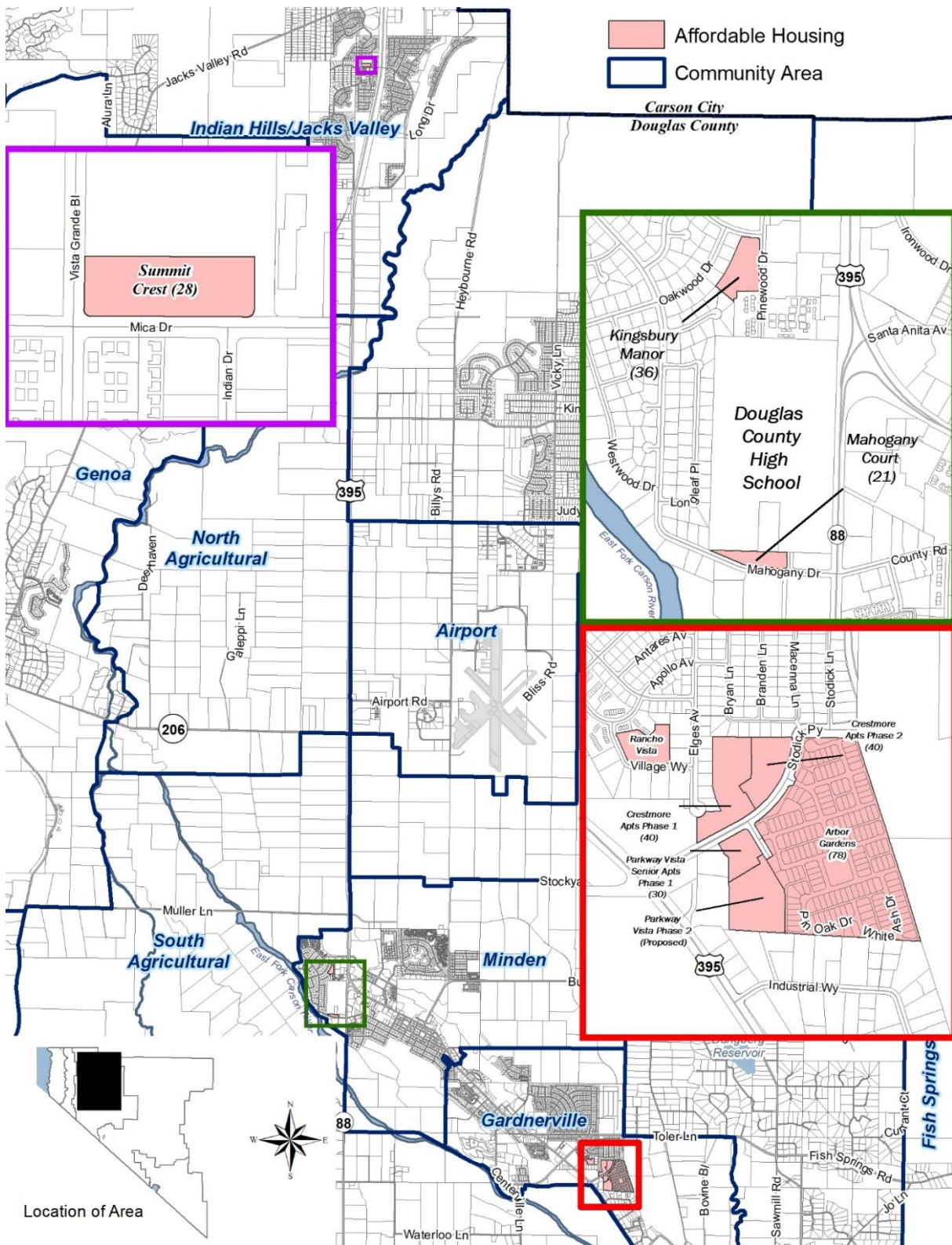
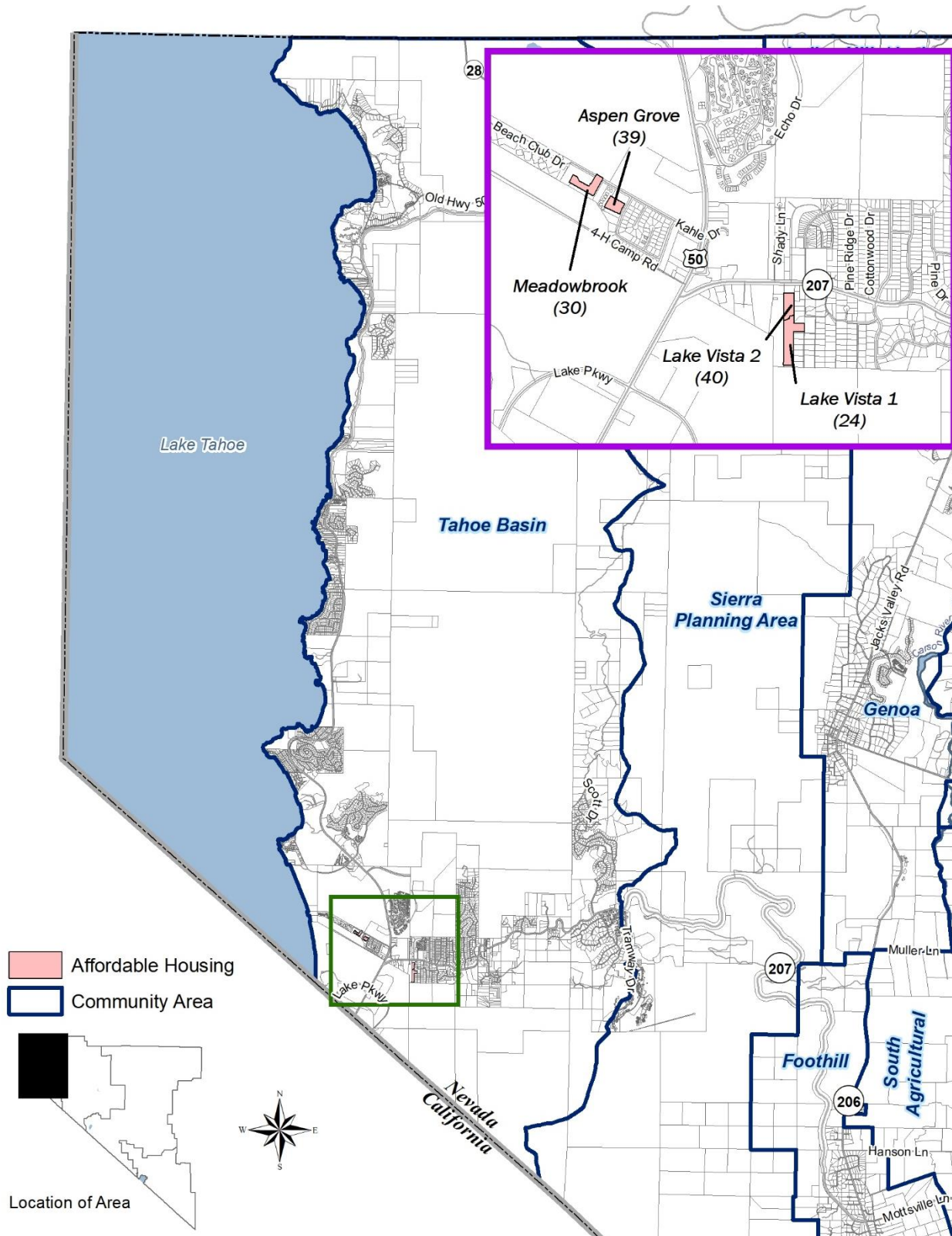


DIAGRAM 2 – AFFORDABLE HOUSING IN TAHOE TOWNSHIP



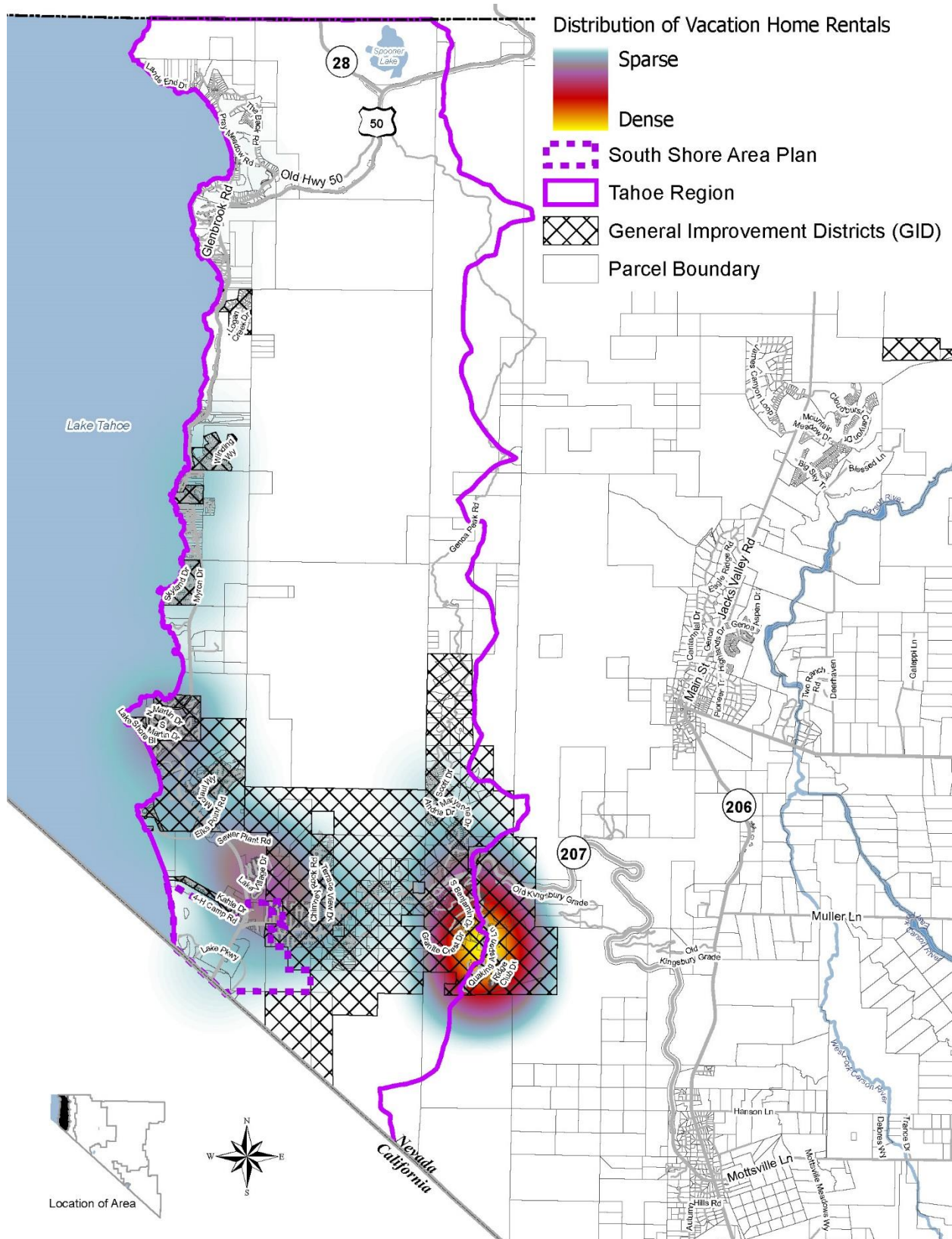
VACATION HOME RENTALS

Douglas County originally adopted a Vacation Home Rental (VHR) Ordinance in 2005. The ordinance only applies to properties located in the Tahoe Township (See Diagram 3). As of May 2020, there are over 500 registered VHRs in the Tahoe Township. Although VHRs are prohibited in the Carson Valley (East Fork Township), review of VHR web sites indicates there are several VHR's operating in the Carson Valley. Douglas County is now considering amendments to the existing ordinance which may include stricter regulations as well as expansion of the VHR ordinance to the East Fork Township.

In 2019 the Board of County Commissioners (BOCC) gave direction to create a VHR Taskforce to make recommendations to the County Manager to consider in making recommendations to the BOCC. In 2020, a Task Force composed of 15 diverse stakeholders, coordinated by the Assistant County Manager and supported by staff members of Community Development, Sheriff's Office, Tahoe Douglas Fire and East Fork Fire submitted a report to the County Manager regarding possible changes to the program. The report included specific recommendations for caps on VHRs in Douglas County, establishing a tiered permitting system, revising parking requirements, establishing noise monitoring at certain tiers, placing a priority on health and safety, creating an appeals/advisory board and public education, revising fees and increasing staffing for administration and enforcement. For more information on the VHR Task Force recommendations or to review the full report click [here](#).



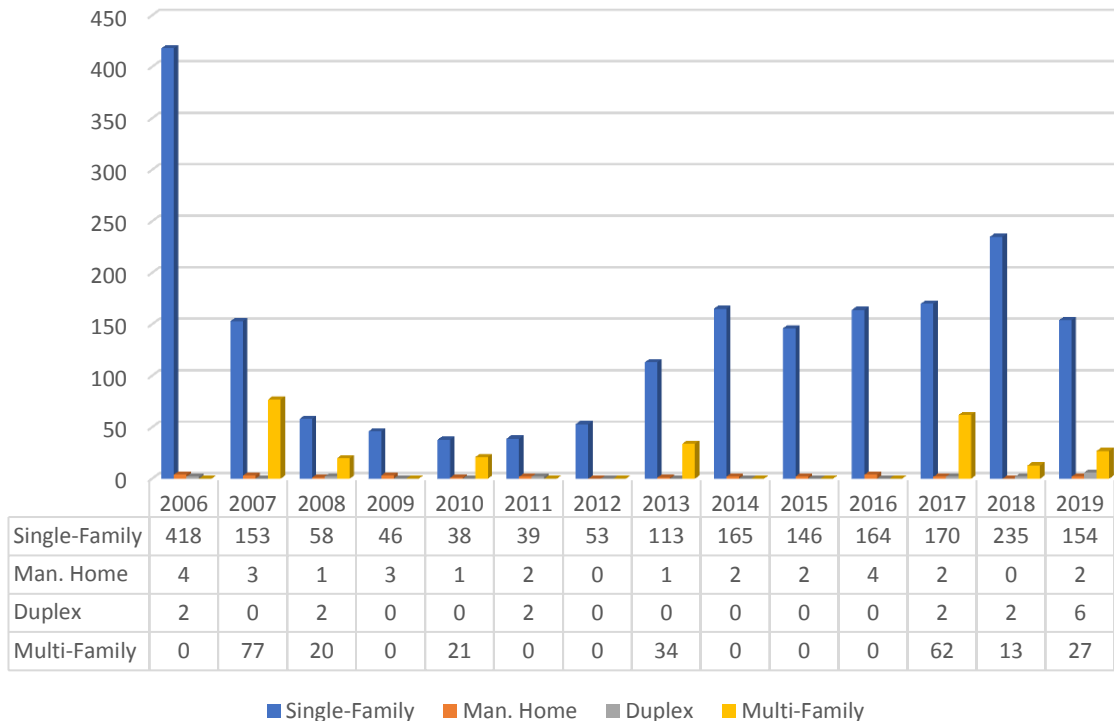
DIAGRAM 3 – VACATION HOME RENTALS IN THE TAHOE TOWNSHIP



GROWTH MANAGEMENT

Building permit activity in Douglas County has increased since the Great Recession period. In 2006, permits for new single-family homes totaled 418 but dropped to 38 permits in 2011. Permits for new single-family homes exceeded 100 in all calendar years following in 2013. Although the single-family market is improving, the multi-family market has remained lackluster. Since 2006, only 6 duplex units and 152 units of multi-family housing have been constructed in Douglas County. The 21 units of multi-family in 2010 was for the Mahogany Court affordable apartments in Minden while the 34 units in 2013 included 30 units for the Parkway Vista Affordable Senior development in Gardnerville. Building permits for new manufactured single-family homes have been consistently less than 4 per year.

Figure G5 - Building Permits by Structure Type



Source: Douglas County Building Department 2020

Growth management involves balancing protection of the natural environment with new urban and suburban development using different tools such as annual building permit caps and/or urban growth boundaries. Growth management seeks to balance the need for investment and reinvestment that is vital to the healthy renewal of revenue sources then used to provide services to our residents against the need for sustainable use of

natural resources and provision of amenities at a desirable per capita rate. There is often concern that growth management strategies may be too restrictive and cause increases in housing prices and/or raw land prices; on the other hand, an overly-rapid increase in population and excessive urbanization are not part of the vision for a County which seeks to remain mostly rural in nature and prizes its lower-density status and abundant open spaces.

The Douglas County Master Plan and the Douglas County Development Code provide the guidance and regulations regarding the appropriate types and location of different types of development. To help ensure that new development does not strain resources, the County has adopted three main growth management tools, which are further analyzed in the sections below: 1) Building Permit and Growth Management Allocation Ordinance; 2) Transfer Development Rights Program; and 3) Urban Service Areas.

Growth Management Ordinance

The County's Building Permit Allocation and Growth Management Ordinance was adopted in 2007 to "preserve and enhance the quality of life for the communities and inhabitants of Douglas County." The Growth Management Ordinance was adopted on the basis of a 2% annual population growth rate (compounded annually) for the County over a 50-year period for the Douglas County population outside of TRPA jurisdiction. The non-Tahoe Basin population was projected to reach 47,389 by 2016 in the original ordinance using a 2% compound growth rate. As it turns out, the annual growth rate for the entire County averaged 1.39 % between 2000 and 2010 and has averaged 0.3 % per year since 2010. The total number of annual residential allocations was set at 317 permits in 2007, for example, and gradually increases up to 837 allocations by the year 2056. Of the 26,812 allocations available between 2007 and 2056, 4,773 are available for vested projects and 22,039 allocations are available for project (6,612) and individual (15,427) allocations.

All new residential buildings, including accessory dwelling units, require a building permit allocation from the County. The ordinance allows no more than 2,200 exempt allocations over the 50-year period. Exemptions are allowed for:

- 1) Residential units' part of a "vested" project or a development agreement with the County;
- 2) Residential units for a parcel created under the Ranch Heritage or Agriculture-2-acre parcels;
- 3) Residential units for an accessory dwelling unit on an A-19 parcel; or
- 4) Residential unit deed restricted affordable housing.

The Board of Commissioners is required to review the Ordinance every five years, and such review may occur during a Master Plan review. The review must determine if administrative procedures should be changed but, prohibits changing the number of allocations.

Table G1 – Available Residential Allocations, by Category

Year	(a) Total Allocations Available	(b) Less Vested Project Allocations*	(c) Remaining Allocation (a-b)	(d) Remaining Allocations Available for Individuals** (70% of c)	(e) Remaining Allocations Available for Projects** (30% of c)
2007-2008	317	149	168	118	50
2008-2009	323	151	172	120	52
2009-2010	330	155	175	123	53
2010-2011	336	158	178	125	53
2011-2012	343	161	182	127	55
2012-2013	350	164	186	130	56
2013-2014	357	168	189	132	57
2014-2015	364	171	193	135	58
2015-2016	371	174	197	138	59
2016-2017	379	178	201	141	60
2017-2018	386	182	204	143	61
2018-2019	394	186	208	146	62
2019-2020	402	190	212	148	64
TOTAL	4,652	2,187	2,465	1,726	740
Total Issued	1,178	831	347	483	114
Excess	N/A	N/A	2,118	1,243	626

Source: Douglas County Community Development, January 2020

*4,767 Vested Allocations were available through 2032, but 1,356 Vested Allocations have expired and were not put back into the allocation pool.

** If Allocations are not used within one year, they expire and are put back into the pool.

Transfer of Development Rights Program (TDRs) and Receiving Areas

The TDRs program allows property owners in “sending areas” (A-19, FR-19 zoning districts) to sell development rights to parcels designated as “receiving areas” in the Douglas County Future Land Use Map. The TDR program is described in greater detail in the Agriculture and Conservation Element.

Table G2 – Available Residential Allocations, by Category Status of TDR Program

Certified TDRs	TDRs Transferred	TDRs Remaining	Conservation Easement Acreage
3,921	3,715	206	4,065.40

There are 4,559 acres designated with a future land use of Receiving Area in the Douglas County Master Plan (see Table G3). The receiving area future land use designation means that these areas are set up to receive TDRs that are transferred off County sending areas (A-19 and FR-19 zoning districts). Receiving areas are land use designations and do not affect the existing zoning on the affected parcels. Most receiving areas have approved developments, such as Clear Creek in the Jacks Valley/Indian Hills Community Plan, Virginia Ranch in the Gardnerville Community Plan and Heybourne Meadows in the Minden/Gardnerville Community Plan. Some receiving areas lack any approved development plans and have remained undeveloped for decades. The potential population growth associated with this build out of approved developments within the receiving areas is 7,216 persons (3,032 units x 2.38 person per household or [PPH]).

Table G3 – Receiving Area Acreage by Community Plan

Community Plan Area	Receiving Area			
	Vacant Acres	Developed Acres	Total	%
Airport	445	-	445	100%
Central Agricultural	660	-	660	100%
Gardnerville	308	274	582	53%
Gardnerville Ranchos	708	194	902	79%
Indian Hills/Jacks Valley	143	164	307	46%
Johnson Lane	178	-	178	100%
Minden	1,111	-	1,111	100%
Ruhenstroth	131	-	131	100%
T R E/Holbrook Jct	21	220	242	9%
Total Receiving Area	3,705	852	4,559	

Source: Douglas County GIS, Douglas County Community Development

Table G4 – Douglas County VESTED Project List (2020)

10/31/2020

Valley Total Vested Units Approved Remaining =		5552	
Valley Total Sub/PD/SP Units Approved Remaining =		1930	
Vested Lots remaining=	2542	Tahoe Appr =	195
Other lots remaining =	1794	Tahoe Lots remaining =	145



Vested List						
Community Area	Project Name	Year Approved	Number of units approved	Lots recorded thru 9-20	Lots Built out thru 2019	Lots Remaining (10-31-2020)
East Valley	Grandview Est PD	1999	64	64	30	34
	Sterling Ranch Est PD	2002	32	32	31	1
	SDB, LLC PD (Spring Crk sub) PD 05-011	2005	8	8	3	5
	Huntsinger PD (LDA 08-055)	2008	5	5	1	4
Fish Springs	Finch Ranch (Serial TPM LDA 04-088; -089)	2005	14	14	2	12
Gardnerville	Virginia Ranch	2004	1020	0	0	1020
	Chichester Est	1997	778	778	777	1
Gardnerville Ranchos	Pleasantview	2001	199	199	197	2
	Rocky Terrace Est PD	2003	90	90	83	7
	Rain Shadow #1 / Aloha (PD 04-002-1)	2004	17	17	15	2
	Cottages @ CV (aka Kit Carson PD) (excl. 140 unit Heritage NV senior living which has exp.)	2005	59	59	58	1
Genoa	Eagle Ridge PD (PD 04-001) (55 lots + 2 Open Sp)	2004	57	57	23	34
	James Canyon PD/Montana (Recorded=Canyon Crk Mead=44 PD 00-16, Canyon Crk Est=42 PD 05-012, Mtn Meadows=38, Summit Ridge 3A=69, 3B=35; Montana 2A&2B=43, Montana 2C, 2D&2E=55 PD 05-001 (Not Rec/Approved=Summit Ridge 3C-3E=71)	2000 & 2005	395	326	227	168
	Genoa Lakes PD (218 lots + 2 Open sp)	early 90's	218	218	212	6
Indian Hill/Jacks Valley	Cottages @ IH (aka Mica Dr LLC) (PD 05-002)	2005	48	48	0	48
	Clear Creek LLC (Phase 1A & 1B=121 (2016); Unit 2=56 (2017); Unit 3A = 46 Res 2020)	2003	384	223	48	336
	Sunridge Heights III (Currently PH7)	2005	278	278	274	4
	Valley Vista I (PH7)	2006	261	261	240	21
Johnson Lane	Saratoga Springs PD (Ph 8)	2004	541	541	540	1
	Sage Crest PD (05-006) now SDDM Inv-JL	2005	13	13	9	4
Minden	Nevada Northwest ORD shows 303 units; (AATG PD 18-002 = 5F-5 80 (VIII@MT rec 8-2020=28); MF-5 53; MF-N = 108 (minus Mossdale); MUC-5 56; MUC-N=32) =329 Inc. Deverill(18)=96; Inc. Downes@MV(20)=51		303	28	7	296
Minden/Gardnerville	Ranch @ Gardnerville (Anker) (PD 04-008-04)	2007	633	254	155	478
Ruhenstroth	Saddlerock (Jilk) (LDA 06-030; -070; 071)	2006	7	7	5	2
Sierra Planning/Foothill	Job's Peak Ranch PD	1997 +/-	122	122	73	49
Topaz	Kahn PD (must record map by 12/4/21)		6	0	0	6
Total VESTED Monthly permits						2542
Totals Vested (Valley)			5552	3642	3010	

Source: Douglas County Community Development (2020)

*Residence 1861 Apartments is approved as Phase II of Parkway Vista at the current time.

Table G5 – Douglas County PROJECTS List (2020)

10/31/2020


Valley Total Vested Units Approved Remaining =				5552		
Valley Total Sub/PD/SP Units Approved Remaining =				1930		
Vested Lots remaining=		2542	Tahoe Appr =		195	
Other lots remaining =		1794	Tahoe Lots remaining =		145	
						
Subdivision/PUD/SP						
Community Area	Project Name	Year approved	Number of units approved	Lots recorded thru 9-20	Lots Built out thru 2019	Lots Remaining (10-31-2020)
East Valley	Pinion Ridge (LDA 01-083) Rec 2003	2001	43	43	2	41
Fish Springs	Hunters Point (LDA 17-027)	2018	11	11	2	9
Gardnerville	Hathoot/Peri (55 older)	2019	158		0	158
	Residence 1841 (MFR)	2018	81		0	81
	Thoroughbred Crossing (MFR-LDA 18-005) Ex9/20	2018	20		0	20
	Stahl MUC (Design Rev 15-22 units) (ex 11/20)	2017	15		0	15
Gardnerville Ranchos	Chapel Crest (DP 19-0260) EXP 9-11-23	2019	8		0	8
	Holstein Farms LLC (LDA 18-007) (exp 9/6/22)	2018	10		0	10
	Rain Shadow #2 (PD 04-002-2) Rec 2017	2016	11	11	9	2
	Rain Shadow #3 (PD 04-002-2) Rec 2018	2016	16	16	13	3
	Rancho Sierra DP 19-054	2020	239		0	239
	Suncrest (DP18-0167)	2018	8	8	7	1
Genoa	Genoa Lakes North (LDA 17-0008/PD 17-001)	2017	54	11	8	46
	Mountain Meadows (patio style) EXP 11-20-22	2018	75		6	69
Indian Hill/Jacks Valley	Big George (NDC-SP) 5F	2020	179		0	179
	Riverwood (NDC-SP) 5F	2020	119		0	119
	Sunridge #3 (PD 16-001/LDA 16-007 ex 7-7-2020)	2016	21		0	21
	Valley Knolls (PD 17-002 & LDA 17-028) SFR	2018	178		0	178
	Willow Hills (DP 18-0391)	2019	16		0	16
	JC Valley Knolls (DP 18-0244) 32 Triplex Bldgs	2018	96		0	96
	Schneider Ranch Sub (Freedom) (LDA 17-022)	2017	16		8	8
Johnson Lane	Cormorant Holdings LLC (DP18-0296)(ex 1/23)	2019	7		0	7
	Parkhaven (Armil) EXP 10-9-22	2018	25		0	25
Minden	CTH Minden Senior Living (DA 17-001) 90/60	2017	150		0	150
	La Costa at MV #3 (PD 02-004-2/LDA 16-001)	2002	30	30	29	1
	La Costa at MV #4 (PD 02-004-2) (exp 4-7-24)	2002	20		0	20
	Mackland #4 (LDA 17-033)	2018	14	14	6	8
	And Away They Go (This is the excess from Vested above due to amendments to SPlan	2018 -Amd	26		0	26
Ruhenstroth	Townhomes at Monterra (PH3) (DP18-0200)	2002 Mod2018	46	46	46	0
	Corley Ranches (55 older) SPlan (20yr) MUC: 12 units; Active living 42 units; Cottage Homes 136 units; Ranch homes 60 units	2015	238		0	238
Totals - Valley non vested Units Remaining						1794
Totals -Valley Sub/PD/SP - Units Approved / Recorded / Constructed			1930	190	136	
Tahoe	Tahoe Beach Club (LDA 15-026 & 17-020)	2015	143	46	44	99
	Huntsinger (DP 18-0053)	2018	8	0	0	8
	Sierra Colina LLC (PD 15-002) (PD 15-002-1)(44 res units)	2015	44	44	6	38
Totals - Lake Tahoe Permits Issued / Remaining					50	145
Total Lake Tahoe Units Approved / Recorded			195	90		



DIAGRAM 4 - RECEIVING AREAS IN NORTH COUNTY

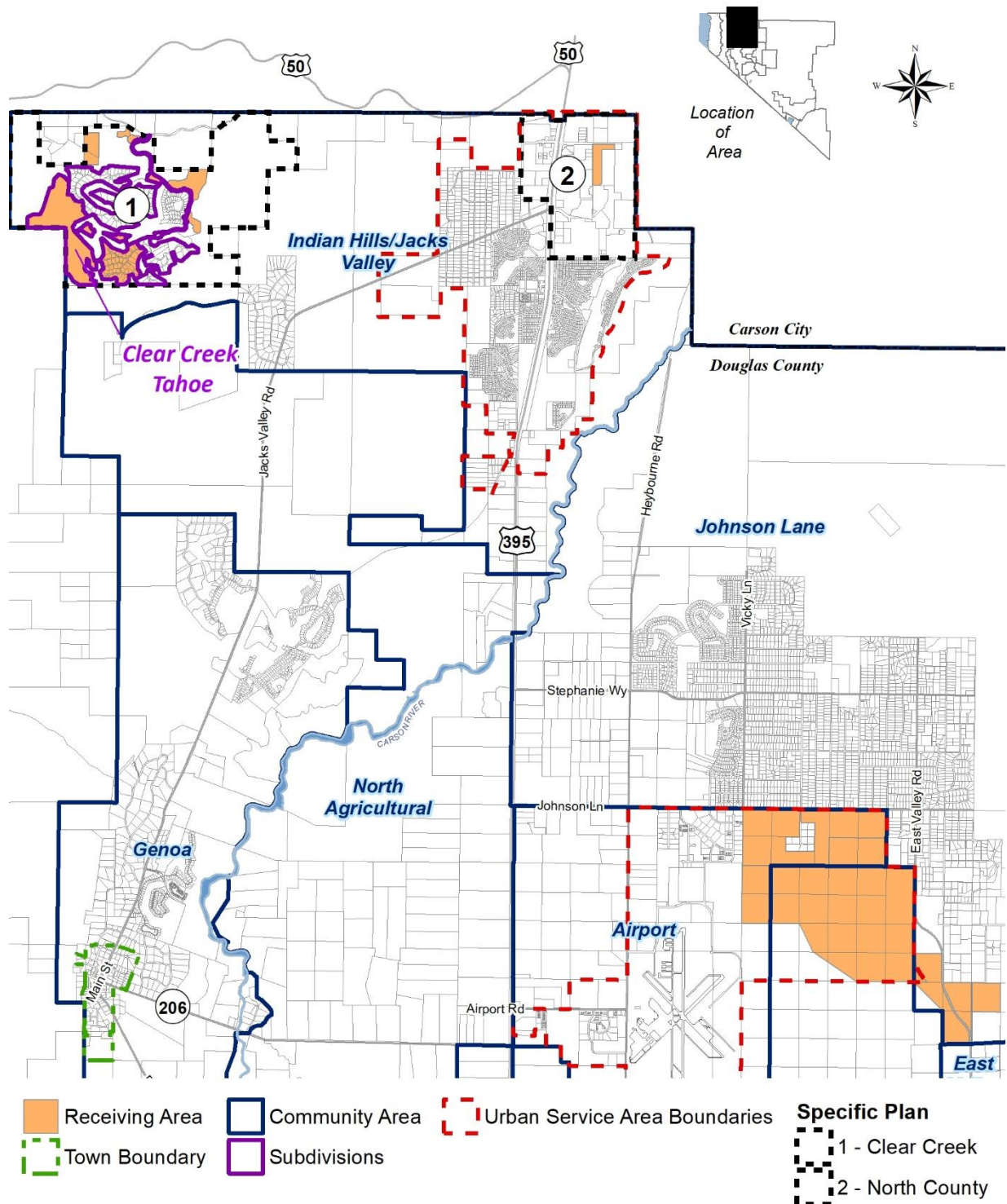


DIAGRAM 5 – RECEIVING AREAS IN AIRPORT AND AGRICULTURAL AREA

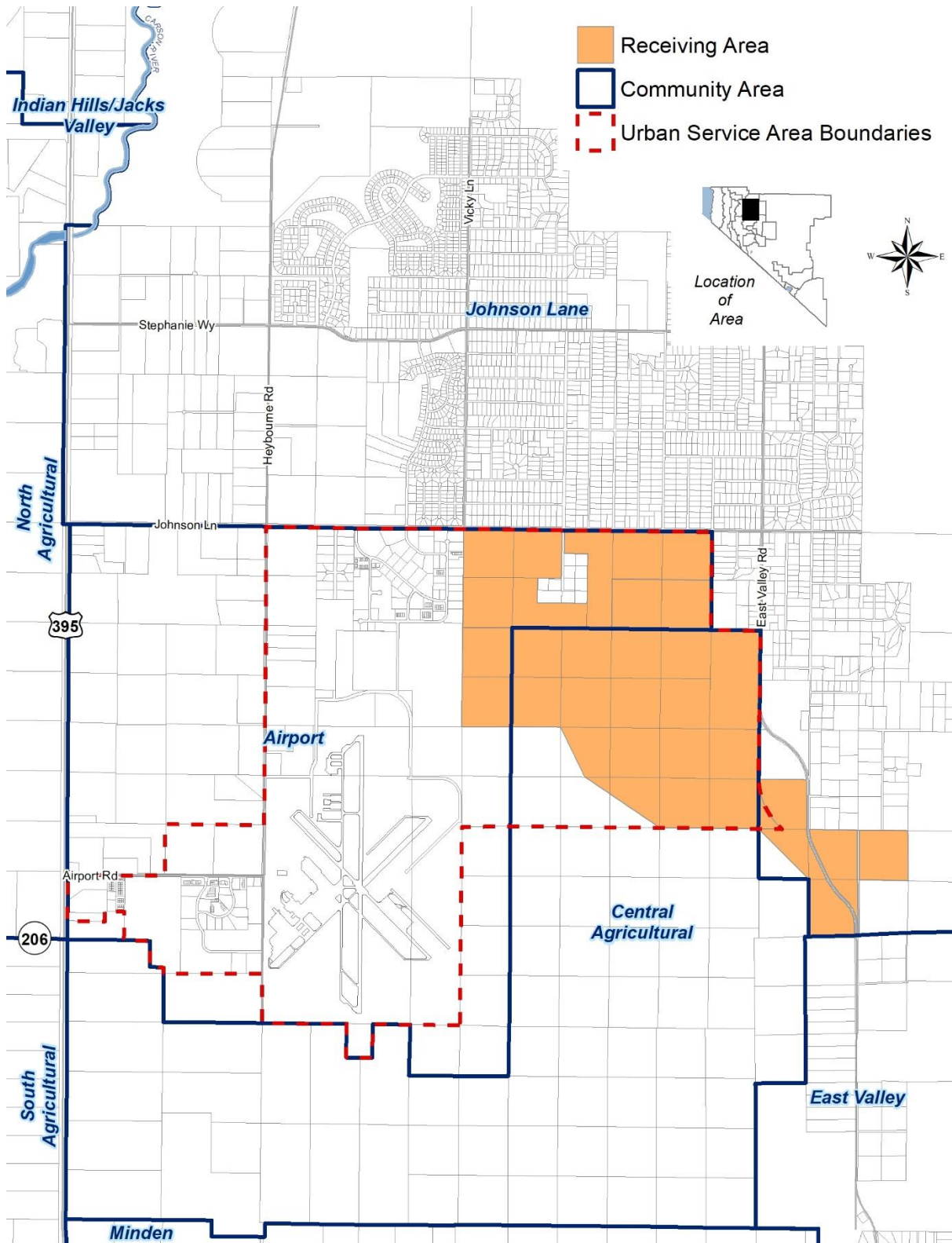


DIAGRAM 6 – RECEIVING AREAS IN GARDNERVILLE, GARDNERVILLE RANCHOS, MINDEN, AND RUHENSTROTH

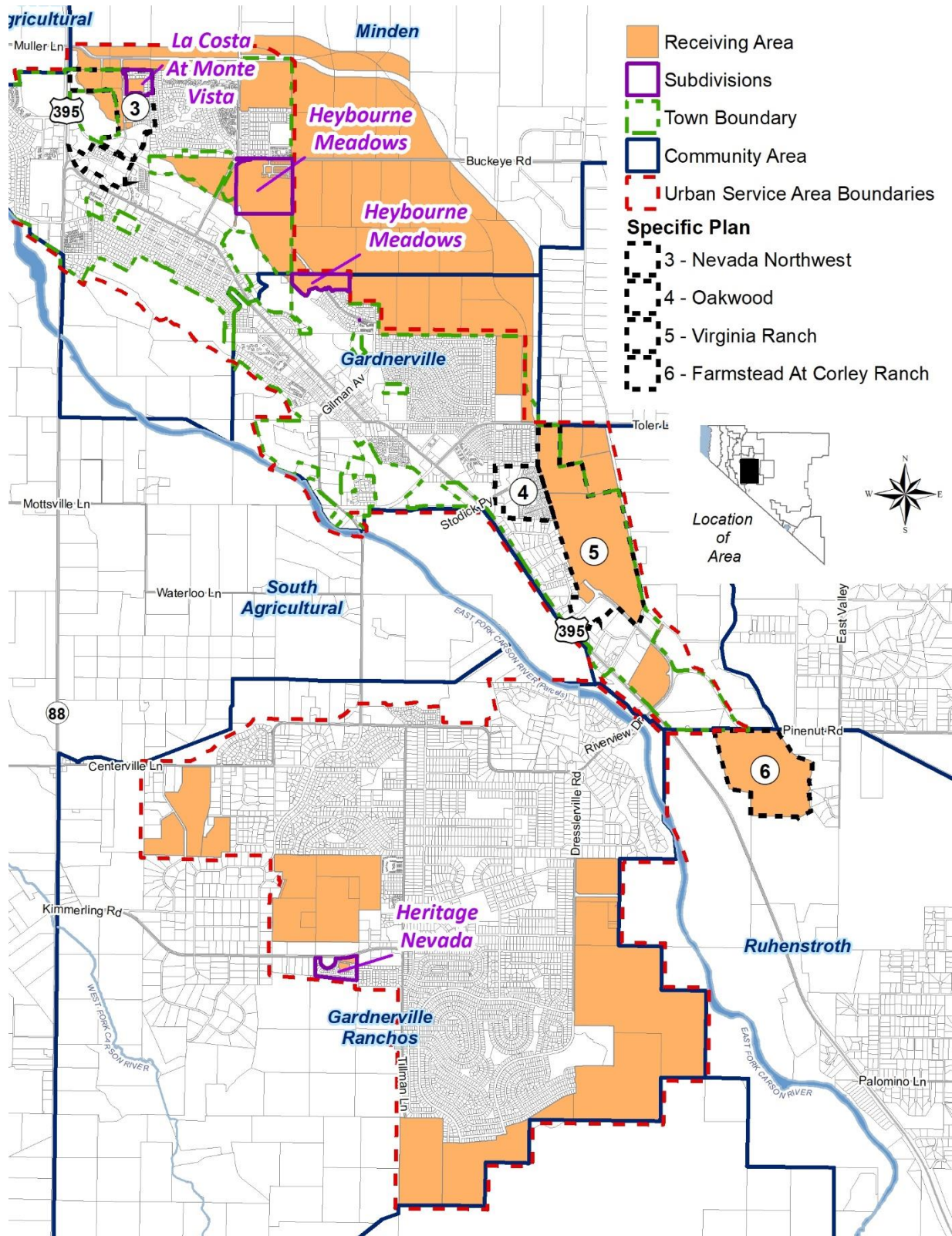
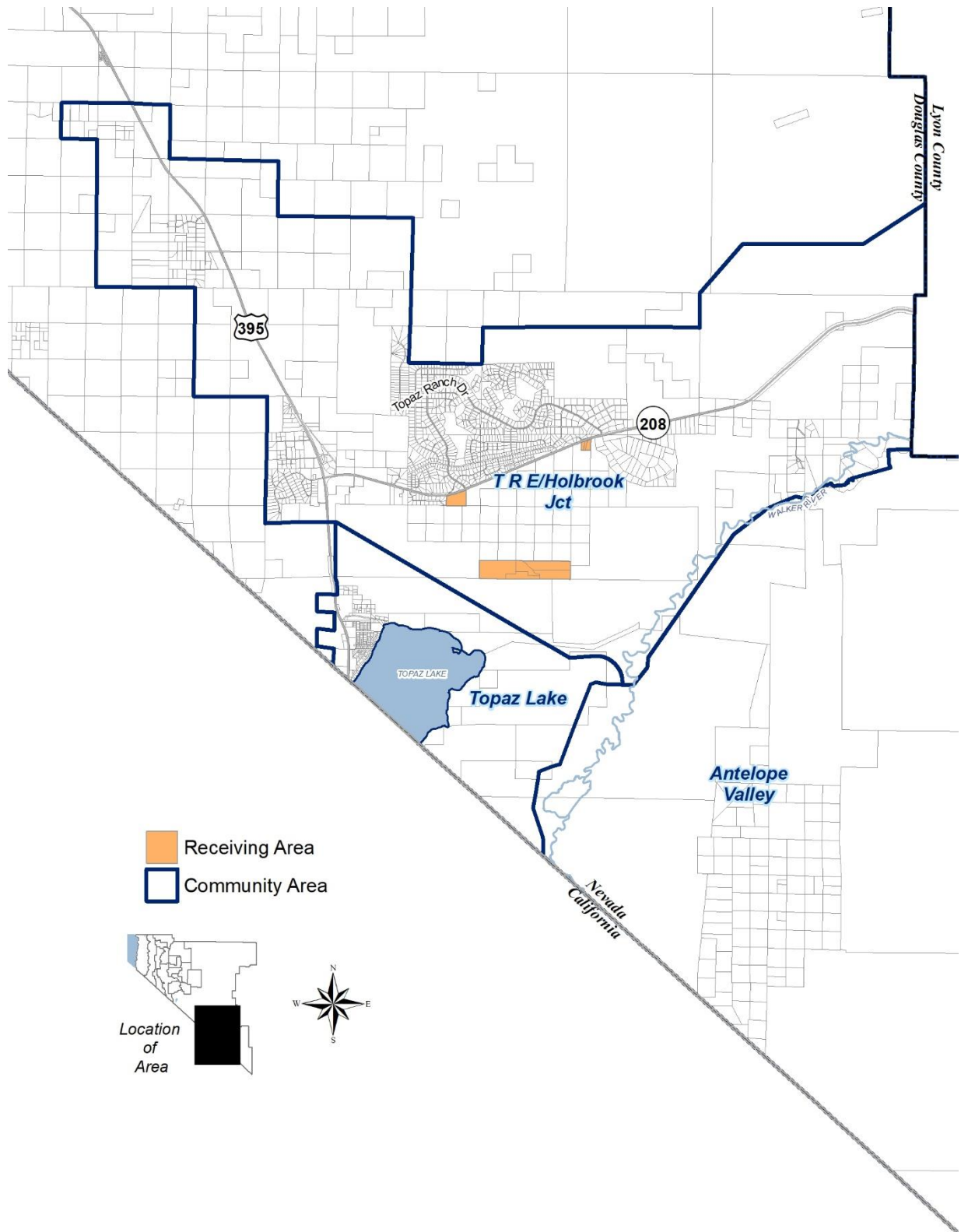


DIAGRAM 7 - RECEIVING AREAS IN THE TOPAZ REGION



Urban Service Areas

Urban Service Areas were established in 1996 and are located in the Carson Valley portion of Douglas County. The purpose of Urban Service Areas is to force high density residential development, as well as commercial and industrial development, to be located within these areas due to availability of infrastructure and established development patterns. Many of the Urban Service Areas have boundaries that are nearly similar to existing General Improvement Districts (GIDs) and town boundaries. The Urban Service Areas help to concentrate urban scale development in areas with public services and utilities. Urban Service Areas are intended to serve residential development at densities of one unit per 0.5 acre or greater and with urban services, such as paved roads, and public water and wastewater services. Development outside of Urban Service Areas, on the other hand, is planned for rural residential development, which equates to residential densities of one dwelling unit per 0.5 acre or lower. The lowest density residential zoning district is the RA-10 district (one dwelling unit per 10 acres).

Residential Buildout Analysis

Table G6 provides an updated analysis of potential residential growth outside of the Tahoe Basin (information on residential growth in the Tahoe Basin is available in the South Shore and Tahoe Douglas Area Plans). According to this review of undeveloped residential parcels, there are 4,605.97 acres of vacant residential parcels which could support 4,029 dwelling units based on allowable density for each zoning district. It should be noted that the residential build out analysis does not take into account any Ranch Heritage or Agricultural 2-5-acre Parcels.

Table G6 – Undeveloped Residential Acreage Outside Receiving Areas, by Residential Zoning District*

Residential Zoning Districts	Total Acreage	Number of Potential Dwelling Units	Potential Population Growth (DU x 2.38PPH)
RA-10 (1 dwelling unit per acre)	81	8	19
RA-5 (1 dwelling unit per acre)	5,663	1,133	2,696
SFR-2 (1 dwelling unit per 2 acres)	1,498	749	1,783
SFR-1 (1 dwelling unit per 1 acre)	1,378	1378	3,280
SFR-1/2 (1 dwelling unit per 0.5 acre)	180	359	855
SFR 12,000 (3.63 dwelling units per acre)	105	381	907
SFR 8,000 (5.45 dwelling units per acre)	285	1553	3,696
MFR (16 dwelling units per acre)	264	4,225	10,055
MUC (16 dwelling units per acre)	31	499	1,188
TOTAL	9,485	10,285	24,479

Source: Douglas County GIS, May 2016, updated through December 2016

LOOKING TO THE FUTURE

ESTIMATED POTENTIAL GROWTH FOR DOUGLAS COUNTY

The potential growth in the County is based on the approved developments in receiving areas and the vacant residential parcels located outside of receiving areas. The analysis shows the following:

- A. Receiving Areas
 - a. Build Out for Receiving Areas (Based on Approved Developments): 3,032 units.
 - b. Population Build Out for Receiving Areas: $3,032 \text{ units} \times 2.38 = 7,216 \text{ persons}$.
- B. Undeveloped Residential Parcels Outside of Receiving Areas:
 - a. Build Out for Undeveloped Residential Parcels: 4,029 units;
 - b. Population Build Out for Undeveloped Residential Parcels: $4,029 \text{ units} \times 2.38 = 9,589 \text{ persons}$.
- C. Total Build Out:
 - a. 7,061 Dwelling Units;
 - b. 16,805 Persons.

A significant amount of vacant residential land is located outside of Urban Service Areas and will remain low density and rural in character. Most of the approved developments located in Receiving Areas are vested projects and will not be constrained by the County's Growth Management Ordinance. Development of vacant residential parcels outside of receiving areas may not happen for another ten years.

INCREASING HOUSING DIVERSITY

The housing stock in Douglas County continues to contain more than 70% single-family detached units. Although this inventory is marketable to many people, over the years, have chosen to commit to this particular product. There are three cases to make in favor of housing diversity:

- 1) Treat the housing portfolio as any other kind of investment; the larger the variety of housing inventory makes the local market more resilient in times of crisis or during consumer preference shifts.
- 2) Providing different lifestyle options to different groups gives more choices to residents with regards to their household configuration, design, and amenity types.
- 3) To encourage more housing diversity, as well as more affordable owner and renter-occupied residential development, the County could pursue the following options:
 - a. Identify zoning code and building code barriers to certain types of developments that are currently underrepresented because technically not allowed or too costly, such as: tiny homes; modular units that can be assembled on-site; container homes; small footprint and low-density multi-family products, such as duplexes, and four-plex's. After doing so, code amendments could be brought forward for consideration.
 - b. Remove the requirement that multi-family residential development obtain Multi-Family Residential land use designation for MFR (Multi-Family Residential) zoning and permit MFR zoning as a permitted zoning district within the Commercial land use category.
 - c. Lower the percentage of commercial usage required in MUC zoning districts.

BUILDING PERMIT ALLOCATION AND GROWTH MANAGEMENT ORDINANCE

The County's Building Permit Allocation and Growth Management Ordinance was adopted in 2007, and the Board of Commissioners is required to review the Ordinance every five years and such review may occur during a Master Plan review. The first review of the Growth Management Ordinance occurred in October 2011, but no changes were made to the Ordinance during the first review.

TRANSFER OF DEVELOPMENT RIGHTS (TDR) PROGRAM

The County's TDR program has successfully preserved over 4,000 acres of agricultural



lands in the Carson Valley. The program works by transferring development rights to designated receiving areas, but property owners do not need TDRs outside of the receiving areas for rezoning proposals. Since there have not been many new TDRs certified since 2009, it may be time to re-examine the effectiveness of the entire program.

The County may want to consider whether all or some re-zoning requests within the Urban Service Areas (or Town or GID) should require TDRs. The demand for TDRs would likely increase if all rezoning actions for higher density residential development and commercial or industrial development required TDRs. If a property owner wanted to rezone a vacant residential property in Gardnerville from SFR-12,000 to Multi-Family Residential, for example, the County could require TDRs as part of the re-zoning application. In some jurisdictions, such as in King County, Washington, there are no receiving area land use designations. The receiving areas in King County are specific zoning districts. This would eliminate the Future Land Use designation of receiving area and a Future Land Use Plan would need to be created in its place so the County then could plan Future Land Uses within those areas.

The County could also explore the establishment of a TDR bank, as well as a well-managed and transparent “development rights marketplace” for owners and developers to coordinate and transfer such rights. A TDR bank can typically purchase, hold, and sell development rights, and sometimes use the proceeds to buy more development rights, thus creating a revenue source for open space acquisition or public purpose project development. Successful TDR banks operate in King County, Washington and Palm Beach County, Florida.

UPDATE THE DENSITY BONUS AND AFFORDABLE HOUSING AGREEMENT ORDINANCE

The County could increase the supply of affordable housing by requiring developers of large subdivisions to provide a certain percentage of the units as affordable housing. Arbor Gardens provides a good example of how this can work. There are several changes to the County’s Density Bonus Ordinance that could be considered:

- 1) Remove the 2001 Amendment which raised the income limit to 110% of median income for the deed restricted units in the Arbor Gardens subdivision.
- 2) Remove the reference to special needs populations in the current ordinance. None of the affordable housing agreements target special needs populations.
- 3) Remove the “adverse impact” language in the current ordinance. This is a broad term that raises possible fair housing concerns.

- 4) Make the Density Bonus Agreement mandatory for all residential developments (owner and renter-occupied units) with more than 50 dwelling units. For example, a proposed subdivision with 160 units would be given a density bonus in return for the provision of affordable housing units.
- 5) Many landlords and apartment complexes do not accept Housing Choice Vouchers, which can mean that the supply of housing available for voucher holders is restricted. The County may want to explore incentives for landlords to accept vouchers.

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