



Report: Lack of affordable housing crippling Incline Village economy

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INCLINE VILLAGE, Nev. — Rising housing prices, a lack of affordable housing options and an erosion of middle class residents are three major trends which threaten the long-term economic viability of Incline Village and Crystal Bay, according to a Washoe County workforce housing report.

The report — Workforce Housing Needs Assessment of Incline Village and Crystal Bay — states 286 houses have been erected in the last decade, a number falling short of housing demand. The low number has led to a significant hike in real estate prices in the area, which in turn has led to middle class families seeking more affordable home-buying options in surrounding communities.

The report further reveals an increase in second-home ownership throughout the area, stating a decrease in year-round residents means a decline in demand for year-round services, a trend that has endangered local businesses which rely on year-round residents to sustain profitability.

Local business owners said a lack of affordable housing in the area makes it tougher for them to recruit reliable workers, according to the report. Also, the lack of housing options means much of the workforce commutes from surrounding communities, leading to higher traffic congestion and increased air pollution.

Toward the end of the 119-page document, the authors detail three possible solutions to correct the “alarming” housing trends:

- An influx of affordable rental housing capable of accommodating a local workforce.
- Entry-level home ownership options aimed at attracting younger more middle-class residents.
- Housing for seasonal workers.

The report was compiled by Praxis Consulting Group, a Reno consulting firm, with help from various local officials, including Kym Fabel with the North Lake Tahoe Chamber of Commerce and North Lake Tahoe Resort Association and Susan Johnson with the Incline Village General Improvement District, in conjunction with the Washoe County Department of Community Development. It was released this week.

According to the report, local businesses such as the Hyatt Regency Lake Tahoe who rely on international employees to supply labor are also struggling.

“... International employees face a very expensive and exploitative housing market,” the report states.

According to the report, individuals from Brazil, Argentina, Poland and other countries are often forced into overcrowded housing situations in order to be able to make rent.

Other important statistics released in the study include:

- Sixty percent of homes in Incline Village are second homes, according to the Incline Village Board of Realtors.

- A drop in student enrollment at Incline's public schools of 358 students from 2000 to 2007.
- \$985,000 is the median cost of a home.
- \$1,454 is the median cost of monthly rent.
- Fifty percent of Incline Village workforce commutes from surrounding communities, with an average commute time of 30 minutes.

Read more

Check back with www.tahoebonanza.com, or read the Thursday, Dec. 31, print edition of the North Lake Tahoe Bonanza for analysis and local commentary regarding the report.

<http://www.tahoebonanza.com/apps/pbcs.dll/article?AID=/20091223/NEWS/912229995/1061&ParentProfile=1050&template=printart>