BOARD OF COUNTY COMMISSIONERS

Meeting of 2/27/2020

PLEASE PRINT

Roger Adam	[illegible]
Lynn Muzzy	Kirk Walder
Jeanne Shizuru	James McKolip
Mark Gardner	[illegible] Miller
Meghan Burk	Robert Anderson
Chris Knight	[illegible]
Sue Barton for	David King
Carol Chaplin.	Tim Tretter
Amanda Gardner	Mike Bradford
John McLaughlin	[illegible]
Tom [illegible]	Nick Brewer [illegible]
Jessica Albee	[illegible]
Veronica Arriaga	Tom Forte
Bill Clark	Sheilah Boothby

BOARD OF COUNTY COMMISSIONERS

Meeting of 2/27/2020

PLEASE PRINT

Darm Haworth	Chase Jauvrin
Kathleen Mason	STEVE TESHARA
Stacy L Nayer	[illegible]
Katherine Baumrock	Natasha Schne
Chris Garton	[illegible]
Joelle Shear	[illegible]
LEON ABRAVANEL	Josh Morrison
Allegra Boyd	Lew Feldman
Ryan Smith	MARK NORTHCROSS
CHRIS [illegible]	Kirk Walk
Rebekah Havard	[illegible]
ROBIN DeSoto	
Jon Martinez	
Erin Leigh Frederick	

Supporting Material
Board: Lake BOCC
Meeting Date: 2/27/2020
Item: Opening PC

Lynn Muzzy

Excerpts and comments from **today's R-C chamber editorial**

California redevelopment . . . revitalized the economy. News flash: California has permanently discontinued redevelopment

Douglas County commissioners made the findings of economic blight establishing Redevelopment Area No. 2. Fraudulently, as has been amply proven.

Existing conditions [are costing an] annual revenue loss to Douglas County [of] more than $1.2 million in property tax alone. No, the RDA confiscating property taxes doubles that.

Some reader responses to the Tahoe Trib version of this article from **Lake residents**

[What happened to the] previous attempt to build an Events Center that also promised to bring a new transit system and economic benefits to our Casino Core?

A proposed "frequent and fun" micro-transit system with no budget, from an organization that is struggling to keep the existing bus system afloat? An Events Center that can hold 5,000 people and removes parking will push parking to the Casinos and California parking lots.

This project violates TRPA's own building regulations. The TRPA also noted it will likely increase VMTs and when it does, the TRPA will require reducing the number and size of events allowed. How does [shrinking the] Event Center]'s operations pay for itself by limiting parking, operations and [attendance]? Another Hotel Welfare Project at Tax Payer Expense!

Edgewood "donated" the land? If [it's] such a great business idea, why didn't Edgewood build it themselves?

With the passing of Senate Bill 461 in July 2019, a $5.00 tourism surcharge is bringing to the Lake approximately $4.4 million per year. But these tourist-paid funds are not enough for the grasping Lake establishment and their political friends. RDA money from Douglas County taxpayers SHOULD BE USED to pay for **real** needs: law enforcement, fire protection, and infrastructure. **But no, they want both!**

I understand that Lew Feldman said Event Centers do not make money. Which begs the question: Why should taxpayers throw good money at bad investments? The Lake establishment can pay for their event center without fleecing the taxpayers.

Here is a sampling of Event/Convention Centers being subsidized by the Taxpayers one way or another.

Orange County Register - September 25, 2017 (Anaheim CA)
Anaheim Convention Center's $190 million expansion: Will city recoup its investment?

But as Anaheim and tourism officials celebrate, a big question lingers – can the city recoup what will be a $400 million-plus, three-decade investment?

"You asked me how well I think Anaheim will do, my answer is, 'Good luck,' " said Heywood Sanders, a professor of public administration at the University of Texas at San Antonio, and author of "Convention Center Follies: Politics, Power, and Public Investment in American Cities."

"Typically," he said, "this type of investment doesn't work out."

AZCentral -= Part of USA Today Network November 12, 2018 (Phoenix Area AZ)

Glendale is hoping someone else will want to manage its civic center. Across the Phoenix area, city-run event spaces lose money

The city hosts about 65 catered events at the center each year, along with other events and meetings.
But it still isn't enough. For the budget year that ended in June, **the city lost $270,000 operating the center.**

Event spaces at a loss everywhere
This loss is considerably small compared with what other Valley cities are facing. Last budget year, considering just direct revenue from operations, losses were:

The Mesa Convention Center, similar in size to Glendale's civic center, and amphitheater **faced a $400,000 hole**.

Scottsdale estimated it would **cost $2.3 million more to operate WestWorld than what the venue directly brought in.**

Mesa Arts Center lost $6.4 million.

The Tempe Center for the Arts lost about **$2.2 million in fiscal 2017**, the most recent budget available.

And the estimate for the **Phoenix Convention Center** was that it **would cost $26.7 million more to operate than it made**.

The Oregonian September 25, 2013 (Portland OR)

The Oregon Convention Center itself has become emblematic of the Lloyd District in particular, and the Northeast quadrant of Portland in general. **The city operates the facility at a $10 million a year loss, with another $6 million tacked on for debt service.**In an increasingly competitive convention business, area officials are worried Portland can't keep up with the Joneses -- or the Chicagos, Orlandos or Vegases.

Eye on Sacramento October 17, 2016

Sacramento Convention Center

The Convention Center will lose $19 million this year. Center losses have been growing at a pace of $1 million annually for several years. **The Center has lost an astonishing $268 million in taxpayer funds over the past 17 years.**

From its construction in 1974 to its major expansion in 1997, the Center has failed to generate revenues anywhere close to official projections, leading the city council to double the city hotel tax to cover its mounting losses in the early years and to extend $10.4 million in emergency bailout loans to the Center following its 1997 expansion, loans which remain largely unpaid today.

Because of the heavy drain of Center losses, Sacramento devotes 87% of its annual hotel taxes to covering Center red ink. The nine cities that Sacramento competes with for convention business uses an average of only 45% of their hotel tax revenues to fund its convention centers, with 55% of such taxes going into their general funds.

San Diego Reader City Lights April 27, 2016

San Diego's welfare plan for hotel owners Losses are subsidy for hotels, restaurants

San Diego Convention Center

San Diego runs an operating loss — something on the order of a million dollars a year." The San Diego center, infamous for fiddling with the books, **gets $3.5 million of city funds each year and counts it as income.**

Arizona Daily Independent News Network February 10,2014 (Tucson AZ)

The Tucson Convention Center, operated by the City of Tucson, is another money pit.

"Booking missteps at **Tucson Convention Center costing City $300,000**." AZStar, Nov. 25, 2012.
"The cost of losing gun shows at the Tucson Convention Center" Tucson News Now, Feb. 11, 2013.
In 2013, "**the city paid $3.4 million in losses and lease costs**. Even though the city traditionally puts money into the Convention Center every year, city officials believe declining events and revenues don't justify the expenses." AZStar, July 10, 2013.

Supporting Material

Board: Lake BOCC

Meeting Date: 2/27/2020

Item: Opening PC

Board of County Commissioners
February 27, 2020

My name is Kirk Walder. These are my personal views and not as a member of the Planning Commission.

History teaches us many valuable lessons. I hope we will learn from the message delivered by Margaret Chase Smith in her declaration of conscience speech delivered to the US Senate in 1950.

Senator Smith warned against those who would attempt victory by riding the four horsemen of calumny: fear, ignorance, bigotry, and smear.

The recent Record Courier ad continued a behavior by some who oppose RDA 2. Use fear to promote opposition to the Event Center. Make arguments based on ignorance of the facts. And smear our elected officials with name-calling and inflamed rhetoric.

Saying "don't let them steal our right to vote" is simply fanning the flames of fear. RDA 2 was first approved in 2016. A vote could have come in 2016 or 2018, and nothing is currently being proposed that would prevent any vote in 2020.

The ad says Commissioners Penzel, Walsh and Rice aligned themselves with casino owners and special interests to create RDA 2. Check the record — Commissioners Walsh and Rice were not even elected to the Board until after RDA 2 was created.

And are casino owners evil, or do they constitute the largest employer of people in Douglas County? And the other "special interests?" Would that be the entertainment and recreation industry? Or the hotels, motels, and restaurants that would benefit from RDA 2? Calling the industries that are the lifeblood of our economy "special interests" shows a glaring lack of knowledge about the economics of Douglas County.

Opponents of RDA 2 claim that tax dollars will be diverted from countywide urgent needs. Again a scare tactic that ignores the fundamental truth that government, like business, should constantly reinvest in projects that increase future revenue. An Event Center in Tahoe will create hundreds of construction jobs, with all the related spending. When built it will employ hundreds more, primary during the shoulder seasons, which will benefit the economy and increase revenue to Douglas County.

Our County Commissioners should not be smeared with the allegation that they are doing anything other than attempting to improve Douglas County.

Let me add that I also find objectionable the ads that attacked Commissioners Nelson and Engles, as well as other involved citizens, that were placed in the Record

Courier last year. We can disagree on the issues of the day, but I hope everyone will conduct themselves in a respectable manner.

Let me conclude by restating Senator Margaret Chase Smith's words in the context of Douglas County. I do not believe the people of Douglas County will uphold any group that puts political exploitation above county interest. Surely they are not that desperate for victory. While it might be a fleeting victory, it would be a more lasting defeat for the totality of Douglas County. Everyone has the responsibility of rendering constructive criticism, of clarifying issues, of allaying fears by acting as responsible citizens.

Supplemental Material
Board: BOCC
Meeting Date: 2/27/2020
Item: 2

Cave Rock Water System Improvements
February 27, 2020

Cave Rock Water System Improvements

- Cave Rock Drive Water Line Project Update
- HDR Engineering Contract
- Construction Manager at Risk (CMAR) Projects

Cave Rock Drive Water Line
Project No. 19W02

- Cave Rock Drive from Hwy. 50 to Gull Court (~3,400 LF)
- October 18, 2018 BOCC directed staff to proceed
- October 2018 Preliminary Estimate - $1,560,000 (Augmented to $1,910,000)
- December 5, 2018 executed HDR Engineering contract
- Bids Opened February 13, 2020
  - Reno-Tahoe Construction - apparent lowest responsive and responsible bidder ($1,406,076)
  - Targeting March 19, 2020 BOCC meeting for contract award

Cave Rock Drive Water Line
Project No. 19W02

- Project Budget Update
  - HDR Engineering (Project Design) - $146,963
  - Reno-Tahoe Construction - $1,406,076 (March 19th BOCC Consent Agenda)
  - Construction Administration & Testing ~ $215,000 (March 19th BOCC Consent Agenda)
  - Contingency - $141,961
  - Estimated Total - $1,910,000

Cave Rock Water System
HDR Engineering Contract

- Cave Rock Preliminary Engineering Report "Most Critical" and "Critical" projects
  - Water Treatment Plant – Redundant Treatment Skid
  - Lake Intake Power Supply
  - Lake Intake Submersible Pumps
  - Water Line Replacement (~15,000 LF)
  - Pressure Reducing Stations
  - Lower Cave Rock Booster Pump Station
- HDR Scope of Work
  - Engineering Design
  - Value Engineering and CMAR Workshops
  - Permitting (TRPA, NDEP, USFS, Douglas County, NDOT)

Construction Manager at Risk (CMAR) Projects

- Solicitation for Pre-Construction Services
- Design Review and Value Engineering
- Guaranteed Maximum Price (GMP) Proposals
- CMAR No. 1 (Construction 2021-2022)
  - Cave Rock Water Treatment Plant Redundant Treatment Skid
  - Lake Intake Submersible Pumps
  - Cave Rock Intake Power Supply
- CMAR No. 2 (Construction 2021-2023)
  - Water Line Replacement (3 Phases)
  - Pressure Reducing Stations
  - Lower Cave Rock Booster Pump Station

Questions?

Board of County Commissioners' Meeting

Comment Form

If you do not want to speak but want to share a comment, then please fill out this form and return it to the Clerk

Meeting Date: 2-27-20 Agenda Item # 3

Topic: Tahoe South Events Center

☒ I am in support of this item.

☐ I am opposed to this item.

☐ I am undecided on this item.

I do not wish to speak on this item, but please record my support/opposition and comments below.

Full Name: Joey Rossell e
(Please Print)

Comments:

Douglas County NV. Resident

Douglas County, Nevada

Board of County Commissioners' Meeting

Comment Form

If you do not want to speak but want to share a comment, then please fill out this form and return it to the Clerk

Meeting Date: 2/27/2020 Agenda Item # 3

Topic: Tahoe South Events Center

☒ I am in support of this item.

☐ I am opposed to this item.

☐ I am undecided on this item.

I do not wish to speak on this item, but please record my support/opposition and comments below.

Full Name: John Christopher Burns
(Please Print)

Comments:

Douglas County Nevada Resident

Douglas County, Nevada

Board of County Commissioners' Meeting

Comment Form

If you do not want to speak but want to share a comment, then please fill out this form and return it to the Clerk

Meeting Date: 2-27-20 Agenda Item # 3

Topic: Tahoe South Events Center

- [x] I am in support of this item.
- [ ] I am opposed to this item.
- [ ] I am undecided on this item.

I do not wish to speak on this item, but please record my support/opposition and comments below.

Full Name: C L Dayne
(Please Print)

Comments:
Douglas County Nevada Resident

Douglas County, Nevada

Board of County Commissioners' Meeting

Comment Form

If you do not want to speak but want to share a comment, then please fill out this form and return it to the Clerk

Meeting Date: 2/27/24 Agenda Item # 3

Topic: Event Center

☒ I am in support of this item.

☐ I am opposed to this item.

☐ I am undecided on this item.

I do not wish to speak on this item, but please record my support/opposition and comments below.

Full Name: Heather Henry
(Please Print)

Comments:

17 year resident of South Lake Tahoe. Worked for Vail's Edgewood.

Douglas County, Nevada

Supporting Material
Board: Lake BOCC
Meeting Date: 2/27/2020
Item: 3

TAHOE CHAMBER
When Tahoe means business.

Tahoe Chamber: Strong Support for Tahoe South Events Center

The planned Tahoe South Events Center will be a pivotal catalyst as Stateline, Nevada seeks to contribute to the revitalization of the South Shore and Douglas County. This editorial summarizes why the Lake Tahoe South Shore Chamber of Commerce (Tahoe Chamber) is an active project advocate.

Today, there are two very different Stateline landscapes. 1990s redevelopment on the California side was the stimulus leading to development of the Lake Tahoe Resort Hotel, Heavenly Village, the Heavenly Gondola, and, more recently, the emergence of new commercial and lodging projects across from Heavenly Village. In short, California redevelopment transformed the community, revitalized the economy, and significantly improved the built environment.

By contrast, the Nevada casino core looks largely frozen in time dating back to the 1980s. Existing conditions include environmental decline in the built environment, falling employment - 7,000 jobs lost since 2000 - and a decrease of 40 percent in the assessed valuation of resort properties. The annual revenue loss to Douglas County is more than $1.2 million in property tax alone. Between 2000 and 2018, Stateline gaming revenues plummeted from approximately $350 to $200 million per year. The South Shore is no longer a marquee gaming destination.

In 2016, recognizing the ravages of decline, Douglas County Commissioners made the findings of economic blight required by state law and established County Redevelopment Area #2. This generated fresh impetus for development of the multi-use event center envisioned for many years as a trigger to reverse the decline of Nevada Stateline and falling County revenues. In 2019, the Nevada Legislature also recognized the need for economic revitalization at Stateline and authorized a funding mechanism to cover the majority of events center construction costs and its on-going maintenance.

The Tahoe South Events Center will be owned by the Tahoe Douglas Visitors Authority (TDVA), a public agency created by the Nevada Legislature in 1997. It will be managed by a professional events center management team under contract with TDVA. Year around, the facility will offer performing arts, concerts, sports tourism, and other entertainment as well as conventions, trade shows, and corporate retreats, many of which are off-peak and mid-week. Today, South Shore loses large group business to other destinations because we lack venue capacity. We know that several South Shore community groups that depend on major fundraisers have also reached the capacity for growth at existing event facilities.

Studies have identified an annual positive economic impact generated by the center of $30 to $60 million, with an estimated 800 temporary construction jobs, and 250 to 400 new jobs. The center will benefit our seasonal workforce, particularly with new opportunities during shoulder seasons when they are the most vulnerable to the loss of employment and income.

The project's environmental analysis identifies a variety of air, scenic and water quality improvements associated with the center. Extensive studies were completed to determine traffic and related impacts. The TDVA and its project team have been working with the Tahoe Regional Planning Agency and other parties to develop an adaptive project monitoring and mitigation package that, among other goals, would ensure a net-zero (no increase) in vehicle

TAHOE CHAMBER
When Tahoe means business.

miles traveled (VMT). There will be deed-restricted occupancy limitations during peak seasons. A "free, frequent and fun" microtransit (shuttle) system will be launched when the center opens providing service throughout the Nevada-California "tourist core" and connecting to local public transit and area recreation sites. Transit and parking demand management strategies will be coordinated with development of the Main Street Management Plan of the US Highway 50 South Shore Community Revitalization Project.

In view of these substantial economic and community benefits, the Tahoe Chamber has been actively engaged throughout the events center planning and development process. Stateline resort operators are committed as are other tourist core area lodging and business owners in the bi-state tourist core. Edgewood Tahoe has agreed to donate land for the project at the corner of US 50 and Lake Parkway in what is today part of the surface parking lot at Mont Bleu resort. Edgewood's donation is worth an estimated $10 million.

The Tahoe South Events Center will mark the most significant investment on the Nevada side of Stateline in decades, accelerating the area's transformation from a gaming-driven market to a contemporary resort destination featuring entertainment, sports, public assembly, enhanced opportunities for performing arts, and broader variety of special events. Consistent with our mission and vision, Tahoe Chamber is proud to be an active advocate for this project and the transformation it represents.

For more information about the Tahoe Douglas Visitors Authority and the Tahoe South Events Center, please visit tahoedouglasva.org

Supporting Material
Board: BOCC
Meeting Date: 2/27/2020
Item: 3

The following information was provided by staff for Agenda Item 3.

REVISED
FEBRUARY 2020

REDEVELOPMENT AREA #2

FREQUENTLY ASKED QUESTIONS

1. Why was RDA#2 created?

Douglas County Redevelopment Area #2 (RDA #2) was created in 2016 primarily to aid the county in achieving a desired strategic planning goal to "work with local partners and stakeholders to initiate the development of a year-round conference/entertainment venue at Lake Tahoe (within Douglas County)."Gaming at Stateline had long been a main attraction for visitors and gamblers, but after the proliferation of tribal gaming and years of casino core declines in employment, property tax and gaming revenues, Stateline and the South Shore needed a different direction. In 2011 the South Shore Vision Plan recommended development of new indoor entertainment venue and conference/group meeting space (Event Center) as one of 14 principle ideas to redefine the physical attributes of the South Shore in a way that is economically sustainable and responsive to environmental conditions.RDA #2 was created to give focused attention and financial investment in the area and to partially fund the development of the Event Center. Goals for RDA #2 include revitalization of the Stateline area and a strengthening of the county's economic base.

2. Where does redevelopment money come from?

Redevelopment funding comes from property tax increment. When a redevelopment project area is established the property tax values on the tax roll last secured prior to the formation of the project area becomes the project area's frozen base, or "base year". As property values in the project grow, the values in excess of the base year are the incremental assessed value. The property tax revenues derived from the growth in value over the base year are tax increment revenues.

3. Where is RDA #2?

RDA #2 is in the Stateline area and includes the properties in the casino-core, Edgewood Golf Course properties and Tahoe Beach Club. A map can be found on the Douglas County Website. The tax increment is generated from the property tax growth in that area.

4. Are my taxes going up because of RDA #2?

No, they are staying the same. The Board of Commissioners is not considering a tax increase at this time. Tax payers in RDA #2 will also continue to pay the same tax rates.

5. What is the total amount of property tax that will be generated by RDA #2?

At the time of approval, RDA #2 was projected to generate $113 million over its 30 year lifetime. To date revenues collected are less than estimated. For example the initial revenue estimate for FY 19-20 was $2 million. The current updated estimate is for $1 million.

6. If RDA #2 was dissolved how much of the increment would go to other taxing entities? (Revised)

For FY 19-20 the total projected increment is just over $1 million. Of that sum, the largest portion would go to:

- School Operating – approximately $268,000
- Tahoe Douglas Fire – approximately $195,000
- Oliver Park GID – Approximately $152,000
- County Operating (General Fund) – approximately $291,000

***On November 21, 2019 Redevelopment Agency took action**
to pass the School Operating portion through to Douglas County School District until June 30, 2021.

DOUGLAS COUNTY

REDEVELOPMENT AREA #2

FREQUENTLY ASKED QUESTIONS

7. How much money is currently in the Redevelopment Area #2 fund? (Revised)
The June 30, 2019 fund balance for capital projects is $909,000. The current FY 19-20 total property tax increment (through February 6, 2020) for RDA #2 capital projects is $870,000. The current amount of funding available for RDA #2 capital projects is approximately $1.75 million.

8. What can the money be spent on?
Once the property tax increment is allocated to RDA #2 it carries with it numerous restrictions and limitations in accordance with the Nevada Revised Statute Chapter 279. RDA projects must meet certain findings under Nevada law. A number of potential projects and programs were identified in the Economic Feasibility of Redevelopment Plan document dated January 21, 2016. Those include business incubator seed funding, wayfinding, street and bicycle improvements, flood control projects, and community facilities projects such as Kahle Community Center improvement and the Event Center. Increment funding was anticipated to cover a portion the potential projects cost.

9. How much will the Event Center cost and how will it be funded? (Revised)
The Tahoe Douglas Visitors Authority's (TDVA) updated estimate of the cost for Event Center construction is approximately $100 million and will be financed with a bond issuance. TDVA is requesting a total not to exceed $34.25 million (in current and future tax increment revenues) from RDA #2 toward the project. This represents approximately 19% of the total debt service to repay the bonds. The requests consists of other sources of funding which will be generated from visitor stays and include:

- $5 per night surcharge imposed on lodging in the Tahoe Township as a result of the recent passage of SB 461 by the Nevada Legislature is estimated to generate 43% of total debt service to repay the bonds.

- Existing Transient Lodging License Tax and Transient Occupancy Tax that TDVA currently receives are estimated to generate 38% of total debt service to repay the bonds.

10. Who will own the Event Center and pay for operations?
Tahoe Douglas Visitors Authority.

11. Who/what is the Tahoe Douglas Visitors Authority (TDVA)?
The Tahoe Douglas Visitors Authority, a Nevada public agency, was created by the Nevada Legislature in June of 1997 with the passage of Assembly Bill 616 (The Tahoe-Douglas Visitors Authority Act). The legislation was signed by Governor Bob Miller in July, 1997, with initial revenues - a new 1% added to Douglas County room tax collected at Lake Tahoe - effective October 1, 1997. A room tax revenue-sharing formula between TDVA and Douglas County as set forth in the Act became effective as of July 1, 1999.
In adopting the Tahoe-Douglas Visitors Authority Act, the Legislature stated that (section 2.1):
"The necessity for this act results from:
(a) The declining revenues generated by tourism in the Tahoe Township of Douglas County;
(b) The geographical location of the township on the border of the densely populated State of California;
(c) The natural attractions of the township and its availability to tourists; and
(d) The atypical financial problems of the township resulting from the foregoing and other singular factors."

The Authority was created to address the problems and needs of the Township, which before the Act's adoption had been experiencing a decline in tourism and tourism revenues. The decline in tourism effected overall financial difficulties for the Township. In an effort to boost tourism, the Act was passed to create the Authority and impose an occupancy tax on hotel room rentals in the County. The act allocates a portion of these occupancy-tax revenues to the Authority to use for two purposes; first, for advertising, publicizing and promoting tourism and recreation in the Township; second, to spend the allocated proceeds on planning, construction and operation of a convention center in the Township.

DOUGLAS COUNTY

REDEVELOPMENT AREA #2

FREQUENTLY ASKED QUESTIONS

12. Does Redevelopment Area #2 have to fund the event center? (Revised)

Since 2015, RDA #2 was formally evaluated and discussed at three separate public meetings of the County Commission (October 2015, November 2015,and January 2016) prior to its creation by formal action of the Board in February 2016. RDA #2 was also formally evaluated and discussed at two separate public meetings of the Douglas County Planning Commission (November 2015, and December 2015). Notices for all of these meetings were posted, publicly noticed, and/or published in the Record-Courier as required by Nevada law. In March 2017, RDA #2 was re-evaluated and considered for possible modification or dissolution by the Board alongside RDA #1 (the North County redevelopment area). In May and June 2019, the Board again re-evaluated and considered possible modification or dissolution of RDA #2. The concept of RDA #2 is a result of regional strategic planning efforts since 2007. For a complete history of the RDA #2 and the event center including a list of the public meetings and actions taken be the Board to evaluate the creation of RDA #2

13.When was Redevelopment Area #2 evaluated and discussed by the Board of County Commissioners and when was it created?

Since 2015, RDA #2 was formally evaluated and discussed at three separate public meetings of the County Commission (October 2015, November 2015, and January 2016) prior to its creation by formal action of the Board in February 2016. RDA #2 was also formally evaluated and discussed at two separate public meetings of the Douglas County Planning Commission (November 2015, and December 2015). Notices for all of these meetings were posted, publicly noticed, and/or published in the Record-Courier as required by Nevada law. In March 2017, RDA #2 was re-evaluated and considered for possible modification or dissolution by the Board alongside RDA #1 (the North County redevelopment area). The concept of RDA #2 is a result of regional strategic planning efforts since 2007. For a complete history of the RDA #2 and the event center including a list of the public meetings and actions taken by the Board to evaluate the creation of RDA #2 and the event center visit our RDA #2 webpage.

14.What is blight? Lake Tahoe has blighted areas?

To be eligible for redevelopment in Nevada an area must meet several specific requirements including a demonstration that it is blighted according to Nevada Revised Statutes. NRS describes conditions of blight and deterioration that, if prevalent, constitute a menace to the health, safety and welfare of communities. To be considered blighted an area must be characterized by at least four of the factors delineated in NRS 279.388. To meet this requirement a blight study was done by Bender and Associates on the proposed Douglas County Redevelopment Area #2 **(document available online).** Of the nine factors delineated by NRS, Bender and Associates found blight to be demonstrated in eight of nine and to be predominate in six of nine. The following is an example of one of the findings from the blight study:

Economic Conditions of Blight

Blight in Stateline, resulting from economic maladjustment, is severe, ongoing and unmistakable. Hotel/casino revenues have declined at a rate of 37%, gaming revenue at 38%, employment in the gaming sector 43%, average room occupancy 15%, gaming revenue per square foot of floor space 33%, and property values 12%. Unemployment has increased from 6% in 1990 to 14.8% in 2012. Combine these trends with the prolonged drought, the near decade long recession, and the increasing fierce and sophisticated competition, and you have a textbook case of economic maladjustment and stagnation. While it could be argued that the drought and economic recession are cyclical, and subject to end, it is unmistakable that all the other conditions of economic maladjustment are structural, and will not expire without significant intervention.

15. Must all properties in the Redevelopment Area be blighted to be included in the redevelopment area? Why were the Beach Club and Edgewood properties included?
No. NRS 279.519 states that "a redevelopment area may include, in addition to blighted areas, lands, buildings, or improvements which are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective redevelopment of the area of which they are a part." The Beach Club and Edgewood properties were included in RDA # 2 pursuant to this law, because inclusion was necessary for the effective redevelopment of RDA #2. The reason that inclusion of the Beach Club and Edgewood was necessary is because they were the only properties that could reasonably be relied upon to generate tax increment to fund redevelopment activities. If RDA #2 was restricted solely to the casino properties, there was little chance of substantially appreciated property values during the term of RDA #2 to meaningfully fund redevelopment activities. The Beach Club and Edgewood properties were included to provide the increment funding necessary to actually accomplish redevelopment goals.

16. (NEW) Will the County issue bonds and be responsible for debt on the Event Center?
No. TDVA will issue debt. The Redevelopment Agency will be asked to enter into a current and future tax increment pledge agreement for up to $34.25 million through 2045. Through the agreement RDA No. 2 would pledge up to $1.3 million each year of available tax increment. If TDVA defaults on the bond neither RDA No. 2 nor County would be liable. TDVA assumes all liability.

17.**(NEW) What are the potential financial benefits to Douglas County and the community from the Event Center?**
Studies commissioned by TDVA, among other things,determine financial and community benefits of the project. Once the Event Center is operational increases in hotel, restaurant, entertainment and retail spending are expected to outweigh the cost of the project by at least 25 times through 2045. The County will also benefit financially with increases of at least $1 million per year annually in local revenue that can be used for county-wide services and projects such as parks, recreation, senior center, and library. For Tahoe Township services and projects including transit, snow plowing, pedestrian and road facilities.

A list of documents concerning RDA #2 has been compiled and can be viewed on the RDA#2 webpage at www.douglascountynv.gov or call the Douglas County Manager's Office at 775-782-9821

1/2 of 1% of TOT* vs. Garage Debt Service

	1.00%	1/2 of 1%	Debt Service**	Difference
FY2013	483,050.06	241,525.03	165,091.59	76,433.44
FY2014	483,072.80	241,536.40	286,752.00	(45,215.60)
FY2015	502,867.84	251,433.92	290,531.20	(39,097.28)
FY2016	621,645.06	310,822.53	288,144.00	22,678.53
FY2017	691,875.66	345,937.83	288,684.00	57,253.83
FY2018	805,126.39	402,563.20	291,088.80	111,474.40
FY2019	906,276.48	453,138.24	291,337.60	161,800.64
FY2020 Est.	910,000.00	455,000.00	290,472.00	164,528.00
Total	5,403,914.29	2,701,957.15	2,192,101.19	509,855.96

* pursuant to NRS 244.33512 (2)(a) and DCC 3.14.030 (B)(1), all proceeds must be used within the Tahoe-Douglas Transporation District

** final bond payments on transit center garage to be paid off in FY2020

Supplemental Material
Board: BOCC
Meeting Date: 2/27/2020
Item: 3

The following information was provided by the public for Agenda Item 3.

BEACH CLUB DEVELOPMENT, LLC

February 21, 2020

Board of County Commissioners
Douglas County
PO Box 218
Minden, NV 89423

Dear Board of County Commissioners:

TAHOE SOUTH EVENTS CENTER LETTER OF SUPPORT

As the owners of the Tahoe Beach Club property, we enthusiastically support the development of the Tahoe South Events Center facility.

It will bring with it many community benefits, including cultural, economic and employment. It will naturally become a new public gathering space adding vitality and energy to the Stateline core area. As a small community with a recreation and tourism economic base, we are fortunate to have partners who are willing to step forward to create a public facility of this nature. It is truly a unique opportunity that we should realize together as a community.

We understand that the project proponents have worked diligently to address concerns raised during the public comment process. We recognize the County's critical role in the project review process and thank you and your staff for your sustained effort.

We appreciate the opportunity to share our views with you.

Warm Personal Regards,

Patrick Rhamey, CEO
Beach Club Development, LLC
1 Beach Club Drive
Stateline, NV 89449

Wood, Natalie

From: notification@civiclive.com
Sent: Tuesday, February 25, 2020 12:55 PM
To: List - X CM Admin
Subject: Board of County Commissioners Comment Form 2020-02-25 12:55 PM(PST) Submission Notification

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Board of County Commissioners Comment Form 2020-02-25 12:55 PM(PST) was submitted by Guest on 2/25/2020 3:55:21 PM (GMT-08:00) US/Pacific

Name	Value
MeetingDate	2020-02-27
AgendaItem	
Topic	Lake Tahoe Events Center
Support	I am in support of this item
Opposed	
Undecided	
Name	Susan Lowe
Contact Information	775-690-1444 - slowe@chaseinternational.com
Comments	I would like to voice my support of the events center in Tahoe. It is a much needed economic necessity for our area.?? Tahoe seems to always be last to receive help from Douglas County and I truly hope you all see the benefits of this wonderful project.

To view this form submission online, please follow the link below:

https://www.douglascountynv.gov/form/one.aspx?objectId=16487949&contextId=16206027&returnto=submissions

From: notification@civiclive.com
To: List - X CM Admin
Subject: Board of County Commissioners Comment Form 2020-02-26 03:16 PM(PST) Submission Notification
Date: Wednesday, February 26, 2020 3:16:27 PM

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Board of County Commissioners Comment Form 2020-02-26 03:16 PM(PST) was submitted by Guest on 2/26/2020 6:16:22 PM (GMT-08:00) US/Pacific

Name	Value
MeetingDate	2020-02-27
AgendaItem	County Manager Tahoe Douglas Visitors Authority Tahoe South Event Center Project
Topic	Tahoe South Event Center Project
Support	
Opposed	I am opposed to this item
Undecided	
Name	Ellie Waller
Contact Information	tahoellie@yahoo.com
Comments	Please include the Peer Report from TRPA Staff member Paul Nielsen as part of the record

To view this form submission online, please follow the link below:

https://www.douglascountynv.gov/form/one.aspx?objectId=16491634&contextId=16206027&returnto=submissions

Memorandum

November 26, 2019

To:	Paul Nielson, Tahoe Regional Planning Agency	Project:	South Tahoe Event Center – Trip Generation and VMT Impacts on Summer Design Day (Peer Review)
From:	Jim Damkowitch	Ref/Job No.:	11206393
CC:		File No.:	TRPA Peer Review Memo.docx

Subject: Peer Review – Initial Comments & Questions

1. Introduction

This memorandum has been prepared by GHD to summarize the initial comments and questions related to the peer review of "Mode Shift and VMT Reduction Benefits on Summer Design Day" (herein referred to as the Study). This memorandum includes evaluation of the key assumptions used in the Study, including mode shift, base reductions for non-auto travel, reductions for paid parking, reductions for microtransit service, and VMT methodology and impacts.

2. General Comments

2.1 Internal Basin Capture Assumptions

Study assumes that all customers of the proposed event center that are lodging in or outside the Casino Core will have a negligible impact on VMT given that: 1) they will be in the Tahoe Basin for other reasons other than a given scheduled event; or, they will simply replace visitors that would be lodged there in the first place given that hotel occupancy rates are typically "very high" during the peak summer season. The latter statement does not distinguish between a typical weekday or weekend day during the summer peak season. Given that the TRPA VMT Threshold is based on a "Typical Weekday in the Summertime" a weekday occupancy rate should be reported. These assumptions should be confirmed based on the LVTA survey information, and checking the average weekday South Shore hotel occupancy rates. These simplifying assumptions control for/negate the regional VMT impact of event over-night visitor patrons whose "primary" reason for being in Tahoe and traveling to the proposed event center is the event itself. Addressing the latter market share (if justified) would result in an increase in project related VMT for visitor patrons of the proposed event center that are lodging in or outside the Casino Core given that their assumed trip length would be extended to the basin boundary entry point.

GHD
943 Reserve Drive Roseville California 95678 United States
T +1 916 782 8688 F +1 916 782 8689 W www.ghd.com

2.2 Type of Event

The Internal Basin Capture assumption above will vary by the type of event being held at the proposed event center. The Study assumes a summer "design day" a music concert with maximum attendance. However, the type of event will determine the customer market and associated trip lengths. Some examples include:

- Summer Concert (max attendance – patron distribution similar to Harvey's and LTVA)
- Sporting Event (max attendance – patron distribution similar to Summer Concert)
- Trade Show (max attendance – patron distribution may or may not be similar to to Harvey's and LTVA)
- Professional Conference (partial attendance - patron distribution will not be similar to to Harvey's and LTVA i.e., much larger influx of regional outside Basin customers).

Some examination of these types of events is warranted. For example, a Professional Conference will not result in maximum patronage it will result in a significantly greater proportion of regional trips that will not be affected by the paid parking or microtransit – and could generate relative higher VMT estimates.

2.3 Disclosure of Annual Increase

Study assumes only one event per day at the proposed event center with no concurrent concert event at Harvey's. Although this is consistent with TRPA's traffic analysis guidelines, it does not address the likely increase in the total number of events held during peak season (June-September) and/or off-peak months (October – May) within the Casino Core. Addressing the latter market share (if justified) will result in an increase in number of visitors per year and therefore annual VMT and therefore GHG emissions from on-road mobile sources. This is acknowledged on p. 17 second bullet of the LSC Study "*although it would attract additional visitors in the off-season*". An estimate of the number of events that are likely to occur during the off-peak visitor season when the paid parking and microtransit provisions are not a play (including docked scooters and bike services) should be disclosed.

2.4 Mode Shift "Base" Reduction Assumption

Some assumptions for mode shift (microtransit, TTD route) are not explained as to how the percentages were derived. This speaks to the "Professional Judgement" aspect of this study which can be re-characterized as "arbitrary" by those who take issue with the findings. Given the number of simplifying assumptions required to perform this analysis combined with the lack of empirically-based supporting information or data, it is recommended that a range of the mode shift "Base" Reduction Assumptions be provided. Establishing a range of mode shift effectiveness assumptions will also allow the identification of the inflection point where diminishing benefit returns occur (i.e., VMT benefits become zero). This may provide a better starting point for gauging the plausibility of the mode shift effectiveness assumptions.

2.5 Local Factors – Qualitative Shift Assessment

It would be beneficial to rank the local factors as to their relative sensitivity and magnitude-of-change potential. This would allow a more meaningful assessment that simply counting the number factors that tend to decrease the impact of paid parking or microtransit relative to increasing the impact.

3. Specific Comments

Note: many of the specific comments/suggestions will not likely result in a different outcome (change the direction of change - tend to decrease or increase the impact of paid parking or microtransit) but are noted to address approaches or assumptions that can be questioned.

3.1 Mode Split Assumptions & Reductions

- Reduction in Existing vehicle-trips due to the paid parking program were derived by trip type:
  - Employee Trips – no reduction
  - Visitor Trips – 30% "Base" reduction to Existing Traffic, various studies analyzed 1999 - 2017;
  - Service Trips – no reduction

A 30% "Base" Reduction reflects the range of elasticities cited. Other potential studies could include those from Walker Consultants are being explored.

Should cite findings in Bay to Tahoe Basin Recreation and Tourism Travel Impact Study performed by El Dorado County Transportation Commission (EDCTC, 2014) to support the assumptions that most visitors live in urban areas with paid parking programs.

Section on Reductions for Overnight Visitors Staying Outside the Casino Core or Local Residents:

- Lakeside Inn and Casino currently makes up 2 percent of the total gaming capacity in the South Shore based on the proportion of gaming employees.

For gauging the likelihood of diversion to other gaming establishments, the Study should confirm the 2 percent of total gaming capacity of the Lakeside Inn result by also comparing gaming floor area and/or number of slot machines/tables.

- Average of 494 parking spaces available within ½ mile walking distance of casino core. "Given the overall existing parking activity at the casino properties (approximately 3,882 vehicles, based on LSC counts conducted on August 11 and 12, 2017), this is a relatively small proportion (13 percent) of overall travel impacted by the paid parking program."

The 494 available free parking spaces outside of the casino core were based on average parking utilization between the weekday and the weekend, from 4-6 pm. The time period for the 3,882 demand is not specified. Additionally, comparing the 494 average available spaces to the parking activity is not a direct comparison, as it does not account for peaks in demand for parking or parking turnover. the potential VMT increase due to drivers circulating in search of an available space should be addressed in the VMT analysis.

- 24% reduction in auto modes for Overnight Visitors lodged outside of Casino Core
  - 5% of reduction assumed to shift to TNC/Taxi
  - 50% of guests within the microtransit area would shift modes / 36% of reduction
  - 10% within local TTD service area would shift to TTD, equates to 20% of reduction
  - 10% shift to increased ridesharing

- 2% shift to walk from lower Kingsbury area
- 7% shift to bike/scooter
- 20% of auto reduction assumed for persons going elsewhere (not making trip).

It is not clear on how the Based Reduction of 30% was decreased to a 24% reduction based on the qualitative findings - tend to decrease or increase the impact of paid parking. It is impossible to reproduce these results without greater documentation of how this reduction was determined.

The 5% mode shift to TNC/Taxi seems low given the availability of TNC's (Uber, Lyft etc.) and taxi cabs. Through California TNC patronage has been increasing at the expense of local transit service patronage – particularly in rural areas. A 50% microtransit patronage assumption relative to 5% TNC patronage appears suspect given these trends. Also – the study does not account for the added VMT associated with TNC patronage increase as a result of the proposed event center. The significant increase in VMT associated with TNCs have been documented in San Francisco and other cities.

Table B – The Total Change in Existing 1-Way Auto Daily Vehicle Trips for Overnight Visitors Lodged Elsewhere (-1,052) and including the TNC/Taxi trips (28 1-way trips) does not match the 24% reduction due to the paid parking (1,136). Is there another underlying assumption regarding the TNC/taxi trips? With 1.5 vehicle trips = 1 taxi trip, this equates to 42 vehicle equivalent trips. However, 5% of the 1,136 vehicle trips results in 57 trips.

Section on Reduction for Day Visitor Trips:

- IRS rate of $0.58 per mile used to calculate the cost of a day trip for a group of visitors.
- Secondary trip to Casino Core is calculated as a substantial increase in costs for the secondary trip with addition of paid parking.

IRS rate includes factors of cost beyond the price of fuel, such as cost of insurance, vehicle maintenance, etc. Most potential visitors would not consider these costs as part of their decision to make a trip. Recommended to instead use regional average price of gas per mile and fuel consumption.

Transit Services Capacity Assessment

- 21% of available capacity would be filled by new passengers for the TTD, "as discussed above", and 50% of microtransit capacity would be filled by new passengers.

Study needs to document which routes were evaluated to reflect transit capacity – should be limited to only those service lines that serve the Casino Core (Lines 50, 55 and 22). In addition, the calculation must include existing ridership (available capacity) for these specific routes. Provide the data and source.

3.2 Minor Comments

LTVA Summer 2017 Concert Surveys and TRPA 2018 and 2014 Summer Travel Mode Share Surveys were not listed in the Bibliography.

From: notification@civiclive.com
To: List - X CM Admin
Subject: Board of County Commissioners Comment Form 2020-02-26 03:04 PM(PST) Submission Notification
Date: Wednesday, February 26, 2020 3:04:26 PM

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Board of County Commissioners Comment Form 2020-02-26 03:04 PM(PST) was submitted by Guest on 2/26/2020 6:04:21 PM (GMT-08:00) US/Pacific

Name	Value
MeetingDate	2020-02-27
AgendaItem	County Manager Tahoe Douglas Visitors Authority Tahoe South Event Center Project
Topic	Event Center
Support	
Opposed	I am opposed to this item
Undecided	
Name	Ellie Waller
Contact Information	tahoellie@yahoo.com
Comments	Please include in the BOCC 2-27-20 meeting record

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https://www.douglascountynv.gov/form/one.aspx?objectId=16491589&contextId=16206027&returnto=submissions

The Events Center agenda item should be tabled and rescheduled until the Tahoe Regional Planning Agency (TRPA) Governing Board members weigh-in on this project as anticipated to be heard at their March 2020 meeting. Many of the Governing Board members expressed concerns about the VMT issues.

This money WHICH SHOULD BE USED for the benefit of LOCAL police, fire protection, schools countywide, etc. is now being reserved largely for the benefit of the multi-billion-dollar mega corporations that largely make up the casino corridor, and must be reconsidered. Why these huge corporations would need to take $110,000,000 + from the people of Douglas County is beyond my comprehension!

With the passing of Senate Bill 461 in July 2019, a $5.00 tourism surcharge is being collected to fund such things like the event center. This is a sufficient DEDICATED funding source already being collected in the tune of approximately $4.4 million per year/$132 million over 30 years.

A vast majority of Douglas County's residents live in the valley and participation at both meetings being held at the lake is less likely and to obviously point out on back-to-back days. The, yet to be released, TRPA agenda will surely be packed as well as the BOCC agenda thus community members again will be less likely to wait hours in these marathon meeting to have their voices briefly heard.

The BOCC refused to put this disastrous taxpayer rip-off to a vote of the people at the June 20, 2019 Board meeting. With the potential upcoming approval, taxpayers may be holding the bag for millions of dollars instead of the multi-billion-dollar mega corporations that should be footing the bills.

I am happy to say a citizens group is circulating referendum petitions to put this issue on the ballot for this year's elections. Every registered voter should sign this non-partisan petition so all are equally heard from and not just the minority that attend meetings.

I was not surprised that the January 22, 2020 meeting reflecting 14 pages of comments from the Dec 2019 meeting came mostly from supporters (Lisa Deleon, Destination Tahoe Meetings & Events, Corinna Osborne, Edgewood, Tom Fortune, Heavenly Resort, John Cahill,Hard Rock, Stacy Noyes, Lakeside Inn & Casino, John Packer, Harrah's and Harvey's, Carol Chaplin, Tahoe Douglas Visitors Authority, Jerry Bindel, Forest Suites Resort, Bill Cottrell, Lake Tahoe Resort Hotel, etc.)

Clearly this proposed large-scale event center, with possibility of significant and unavoidable impacts, and assumption versus analysis-based (on traffic alone) should require this project to be an Environmental Impact Study (EIS) and not the less stringent/less analysi required Environmental Assessment (EA).

The EA has not sufficiently analyzed cumulative traffic impacts. An EIS must be drafted to ensure environmental impacts are properly mitigated to the fullest extent possible and impact studies conducted for real-time traffic cumulative impacts of existing conditions today.

VMT knows NO BOUNDARIES. Statelines are just that, a line, which VMT crosses 24/7. VMT is a huge consideration that cannot be taken lightly.

Is the LSC traffic analysis adequate based on Governing Board Member comments and Peer Review? Proposed paid parking requirements and microtransit usage are only assumptions when stating achievement of reduced VMT.

(GB Member) Jim Lawrence “As the project moves forward, it’s important in the context of Tahoe and this project to be able to articulate in the analysis whatever the assumptions are regarding the VMT reduction with the pad parking, it needs to demonstrate how the analysis was Tahoe specific as opposed to general nationwide industry standard. Mr. Feldman agreed and said that is a tough order.”

(TRPA staff member) Mr. Nielsen “said the analysis does include a general reduction for paid parking. Then there are local factors that are considered which doesn’t have a lot of data about local factors. It does include an adjustment for local factors. The peer review said that needed some refinement.”

(GB Member) Mr. Shute “said as co-chair of the stakeholder group doing Main Street Management Plan, they could be done in a few months. And the fact that they won’t be is not because of their work. Mr. Shute said the key for him on this project is offsetting the VMT. There will be people coming in the shoulder seasons that wouldn’t be here otherwise and that will generate traffic. The link there is the Main Street Management Plan and the parking management plan that are not done.”

The approval of this EA (which should be an EIS) should come back to the Governing Board once the Main Street Management Plan is completed in a coupleof months to ensure consistency and ability for adaptive management plans to be drafted.

Within the boundary of the Event Center project area, pedestrian-oriented development along Highway 50 would include increased building setbacks compared to existing developments, a visible event lawn, improved landscape elements and street trees, new pedestrian amenities, and a unified façade, oriented toward the street and transit facilities. Overhead utilities along the east side of U.S. Highway 50 (at the Lake Parkway intersection) would be removed as part of the adopted South Shore Community Revitalization Project (i.e., Loop Road), or if that project is not constructed, would be completed within the Event Center project area and immediately across Lake Parkway as part of the proposed project. Based on these elements and including the proposed building design, materials, and colors, the EA

AGENDA ITEM NO. IX.A.

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concludes there may be an incremental improvement to the applicable roadway travel route threshold rating and no mitigation is required. Conditions of approval will require:

1. Coordination with the Main Street Management Plan streetscape design to ensure consistency in the type and location of pedestrian amenities.

Gavin Feiger, League to Save Lake Tahoe "said they've heard a lot of comments today about economics. With a six page staff report it's hard for them to gauge the environmental impacts of the project. They don't have a stance yet but are looking forward to seeing the traffic analysis and the assumptions that went into that along with the peer review…. There's some great stuff they've seen in the brief materials but looking forward to seeing the environmental analysis and a more extensive analysis depending on what that comes out with."

In the United States, there was continuous growth in VMT in all 50 states until 2008 when growth leveled off due to the economic downturn. **An upward growth trend had returned by 2014.** There are various means of forecasting VMT available. The literature revealed three primary types of data-based methods for estimating and forecasting VMT:•Traffic-count-based methods.•Socioeconomic-data-based methods.•Travel demand forecasting models. The literature also revealed several quantitative and statistical techniques for estimating and forecasting VMT. These include trend/growth factor methods, time series analysis, and regression analysis. The end users of VMT estimates and forecasts typically include state departments of transportation, state environmental agencies, transportation/environmental consultants, and regional planning organizations. These agencies use VMT primarily for transportation planning and emission analyses.
(https://static.tti.tamu.edu/tti.tamu.edu/documents/PRC-15-40-F.pdf)

The CA AG weighed-in on VMT **September 2016**. The first six pages of 19 should provide enough information to ascertain the severity of the VMT issues back in 2016. Now add cumaltive impacts of all the projects approved and/or built since this letter was issued.

KAMALA D. HARRIS
Attorney General

State of California
DEPARTMENT OF JUSTICE

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E-Mail: Nicole.Rinke@doj.ca.gov

September 6, 2016

VIA OVERNIGHT COURIER

Paul Thompson, Interim Agency Director
Placer County Board of Supervisors
3091 County Center Drive
Auburn, CA 95603

RE: Martis Valley West Specific Plan Environmental Impact Report

Dear Mr. Thompson and Supervisors:

Our office has reviewed the environmental impact report (EIR) for the Martis Valley West Specific Plan (the Project) and respectfully submits the following comments. We request that you consider our comments and address them prior to certifying the EIR. The California Attorney General has a longstanding interest in the protection of Lake Tahoe as a state and national treasure. The Attorney General's interest dates back over four decades (see, e.g., *California ex rel. Younger v. Tahoe Regional Planning Agency* (9th Cir. 1975) 516 F.2d 215) and is as recent as our involvement in the 2012 Tahoe Regional Planning Agency (TRPA) Regional Plan Update and our submission of comments on August 9, 2016, regarding the proposed Squaw Valley Specific Plan, also pending before Placer County. Our concerns with the EIR for the Project are similar to the concerns we expressed with regard to the EIR for the Squaw Valley Specific Plan.

The Project sets forth a 20-year framework for the residential development and open space preservation of two parcels totaling over 7,000 acres. The Project is located in the Martis Valley near the Northstar Resort and the Lake Tahoe Basin (basin). The Project is located just outside of, but adjacent to, the Lake Tahoe Basin, and its entrance lies on State Highway 267, the gateway to Tahoe's North Shore. While we applaud the Project's open space preservation, because of the proximity of the proposed development to Lake Tahoe, we are concerned about the impacts the development will have within the Tahoe Basin. We are particularly concerned with the Project's resulting increases in vehicular use and traffic within the basin. The traffic issues have two components – (1) level of service impacts to specific roadway sections within the basin; and (2) increases in vehicle miles travelled and daily vehicle trips within the basin, which in turn have impacts on air and water quality and may limit the ability of environmentally beneficial redevelopment projects in the basin to go forward. These impacts are especially a concern when viewed in combination with the similar impacts anticipated from the proposed 25-year plan for the redevelopment of nearby Squaw Valley. The EIR has not adequately analyzed

or mitigated these impacts. Increased traffic also increases greenhouse gas emissions, another issue of statewide importance, which is an identified significant impact of the Project that can and should be mitigated. As you are aware, on July 7, 2016, the Placer County Planning Commission voted against certification of the EIR and we urge you to do the same in order to address the inadequacies we have identified.

A. THE EIR INCLUDES AN ANALYSIS OF THE INCREASED VEHICLE USE IN THE BASIN THAT WILL RESULT FROM THE PROJECT, BUT FAILS TO DETERMINE WHETHER THE INCREASE IS A SIGNIFICANT IMPACT.

In its response to comments, the final EIR (FEIR) includes a discussion of the Project's impact on vehicle use within the basin. The FEIR anticipates that the Project's summer peak daily traffic would generate 1,394 daily trips traveling into the basin. (FEIR 3-17.) The TRPA, the agency charged with regulating and protecting Lake Tahoe, considers the addition of more than 200 daily trips to be a significant impact. (TRPA Code, § 65.2.3.G.) The FEIR also projects that the Project will create an estimated 13,745 additional vehicle miles travelled (VMT) on a summer Friday, an estimated .07 percent increase in VMT within the basin. The addition of the Project's VMT would bring the total VMT in the basin to 1,998,345, which is below TRPA's threshold for basin-wide VMT, but only by a small margin (the VMT threshold is 2,067,600). (FEIR 3-17.) The EIR acknowledges TRPA's standards but asserts that it need not use them as the standards of significance for evaluating the Project's traffic impacts within the basin. (FEIR 3-17.) Rather than identify an alternative standard of significance against which to measure the increase in traffic within the basin, the document's discussion of whether the increase is significant ends there. (FEIR 3-17 to 3-18.)

Lead agencies have the discretion to set standards of significance and are not required to accept significance standards adopted by agencies that will not have regulatory authority over the project. (*Save Cuyama Valley v. County of Santa Barbara* (2013) 213 Cal.App.4th 1059, 1068.) However, if evidence is submitted showing that the environmental impact might be significant despite the significance standard used in the EIR, the agency must address that evidence. (See *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal.App.4th 1099, 1111.) If the agency does not respond by changing the standard, it should respond by explaining the basis for the standard used. (*Id.*; see also, *Oakland Heritage Alliance v. City of Oakland* (2011) 195 Cal.App.4th 884, 898 [the substantial evidence standard applies to challenges to the scope of an EIR's analysis of a topic, the methodology used for studying an impact, and the reliability or accuracy of the data upon which the EIR relied].) Because Placer County did not set a standard of significance for assessing traffic impacts to Lake Tahoe, it is impossible to know whether its rejection of TRPA's standard is appropriate and supported by substantial evidence.

In addition, while Placer County, as the lead agency, may not be required to use TRPA's standards, it must still determine whether the increase in VMT in the basin that will result from the Project is a significant impact. (See *Protect the Historic Amador Waterways v. Amador Water Agency, supra*, 116 Cal.App.4th at p. 1109 [holding that even where a pertinent standard of significance exists, compliance with that standard does not relieve an agency of considering other evidence that suggests an impact may exist]; *Lotus v. Department of Transportation* (2014)

The proposed Event Center IS REQUIRED to use TRPA's standards.

223 Cal.App.4th 645, 654 [finding environmental document inadequate where discussion of impacts was included but without any information to enable the reader to evaluate the significance of the impacts discussed].) Because the EIR fails to identify whether the increased vehicular use within the basin is a significant impact, the EIR is inadequate.

B. THE EIR FAILS TO ANALYZE AND MITIGATE FOR THE IMPACTS ASSOCIATED WITH INCREASED VEHICULAR USE WITHIN THE TAHOE BASIN.

Although, as discussed above, Placer County in its EIR did not determine the significance of the increased vehicular use in the Tahoe Basin, it does appear that this impact will be significant. The EIR anticipates that the Project will result in more than six times the number of daily trips to the basin that TRPA would determine to be significant. (FEIR 3-17.) The EIR also projects that the Project will create an estimated .07 percent increase in VMT, bringing the total VMT in the basin within a close margin of TRPA's threshold. (FEIR 3-17.) The FEIR did not consider the impacts associated with this increase in vehicular use in the Tahoe Basin. These include impacts to air and water quality within Lake Tahoe and impacts to TRPA's ability to implement its Regional Plan and achieve its environmental goals within the Tahoe Basin. Placer County should analyze these impacts prior to certifying the EIR.

An EIR must identify all of the environmental impacts, direct and indirect, associated with a proposed project. (Cal. Code Regs., tit. 14, §§ 15123, 15126.2.) Indirect effects include secondary effects. (Cal. Code Regs., tit. 14, §§ 15358(a)(2); 15064(d)(2).) In addition, the impacts analysis must take into account the regional setting with "special emphasis" on environmental resources that are rare or unique to the region and would be impacted by the project. (Cal. Code Regs. , tit. 14, § 15125(c).) The CEQA Guidelines are clear that "[t]he EIR must demonstrate that the significant environmental impacts of the proposed project were adequately investigated and discussed and it must permit the significant effects of the project to be considered in the full environmental context." (Cal. Code Regs., tit. 14, § 15125(c).) Here, the EIR does not include an analysis of the impacts that will be associated with the Project's increase in vehicular use within the Tahoe Basin and is, therefore, inadequate.

1. The EIR does not include an analysis of the air and water quality impacts associated with the Project's increased traffic within the basin.

The significant increase in traffic within the basin will have a direct impact on the air and water quality of Lake Tahoe. Increased vehicular use generates significant amounts of dust and leads to nitrogen deposition in the lake, which in turn causes algae growth that threatens the clarity of the lake. (See Final Lake Tahoe Total Maximum Daily Load Report, November 2010, 3-7, 7-8, and 11-11.)[1] Vehicle trips also contribute to air pollution and global warming. The

[1] The report is available at: http://www.waterboards.ca.gov/lahontan/water_issues/programs/tmdl/lake_tahoe/docs/tmdl_rpt_nov2010.pdf.

EIR does not include an analysis of these environmental impacts to Lake Tahoe that will result from the Project's increase in vehicular use.

The traffic analysis contained in the draft EIR (DEIR) is limited to impacts to level of service on specific roadway sections. (See FEIR Chapter 10.) It was not until the FEIR, in response to comments, that Placer County considered VMT and daily vehicle trips to Lake Tahoe. (FEIR 3-17 to 3-18.) While Placer County was correct to include this analysis, the information it yielded also should have been folded into the document's analysis of air and water quality, with a particularized discussion of impacts to Lake Tahoe.

Several commenters on the DEIR requested this analysis. Rather than revisit the air and water quality analyses, however, the FEIR suggests instead that mitigation measures proposed in the DEIR and policies incorporated into the Project to address transit impacts would address any impacts that may result from the increased vehicle use in the basin. (FEIR 3-18.) This response is legally insufficient. An EIR cannot substitute or compress its analysis of impacts with a discussion of mitigation measures. (See *Lotus v. Department of Transportation*, *supra*, 223 Cal.App.4th, at p. 656 ["By compressing the analysis of impacts and mitigation measures into a single issue, the EIR disregards the requirements of CEQA."].)

Interestingly, in the staff report to the Planning Commission, Placer County staff included a discussion of the air and water quality impacts associated with increased vehicular use in the basin. (See June 30, 2016, Staff Report to the Placer County Planning Commission, 5-6.) The staff report acknowledges that "the majority of vehicle-related pollutants that enter Lake Tahoe are from vehicle sources within the Tahoe Basin." The staff report goes on to conclude that "[t]hus, the 65-70 percent of vehicle trips associated with the project that would not enter the Lake Tahoe Basin would not affect Lake Tahoe water quality. Furthermore, project-related vehicle trips that would enter the Lake Tahoe Basin would remain below TRPA's VMT threshold." (*Id.*) This post-EIR analysis does not cure the EIR's deficiency and only underscores the fact that the EIR should have included an analysis of these air and water quality impacts. (See *Concerned Citizens of Costa Mesa, Inc. v. 32nd Dist. Agricultural Assn.* (1986) 42 Cal.3d 929, 935 [emphasizing that the EIR must contain facts and analysis necessary to ensure a meaningful public process]; *People v. County of Kern* (1974) 39 Cal.App.3d 830, 841 [requirement of detail in EIR "helps insure the integrity of the process of decision by precluding stubborn problems or serious criticism from being swept under the rug."].)

In addition, even if the analysis provided in the staff report had been included in the document, compliance with TRPA's VMT threshold is not an adequate basis for concluding that the increase in traffic will not have impacts to air and water quality within the basin. TRPA's threshold for VMT is an environmental carrying capacity for the basin. Because it is a basin-wide carrying capacity, no single project *should* exceed the threshold. In order to achieve the thresholds, TRPA is required to adopt a Regional Plan that sets forth standards for projects and activities within the basin. (See TRPA Compact, Art. V(c).) These standards apply in addition to the thresholds and are the primary mechanism by which TRPA ensures that new development contributes to, and does not thwart, threshold attainment. Thus, these standards provide additional criteria that apply to individual in-basin projects to ensure environmental impacts are adequately mitigated.

Of particular relevance here, TRPA's standards characterize any proposed development that creates more than 200 daily vehicle trips as having a significant traffic impact and requires an analysis of air quality impacts associated with the project prior to project approval. In addition, all new development projects are required to provide an air quality mitigation fee to offset regional and cumulative impacts. (TRPA Code of Ordinances § 65.2.) These standards apply regardless of whether or not the project will exceed the TRPA VMT threshold. As a result, it is inaccurate to suggest that compliance with the VMT threshold is sufficient to ensure that the project will not have air and water quality impacts within the basin. Further, in discussing the vehicle impacts, the document specifically indicates that it need not apply and is not applying TRPA standards in order to determine whether the in-basin impacts are significant. (FEIR 3-17 ["the proposed project does not occur in the basin and is not under the jurisdiction of TRPA, so effects on the TRPA thresholds are not used as standards of significance in this EIR…"].) It is inconsistent, on the one hand, to decline to apply TRPA's standards for purposes of the traffic analysis in the EIR, but then, on the other hand, rely on TRPA's standards post-EIR in order to conclude that the increase in traffic will not have air and water quality impacts.

Rather than point to the VMT threshold post-EIR, when it specifically elected not to apply the VMT threshold as the standard of significance in the EIR, or point to other mitigation measures, Placer County should revise and recirculate the EIR to include a meaningful analysis of the air and water quality impacts that will result from the Project's vehicular impacts within the Tahoe Basin.

2. The EIR does not include an adequate discussion of potential mitigation measures to address the impacts associated with the Project's increased traffic within the basin.

In addition to declining to analyze the Project's air and water quality impacts to the Tahoe Basin, the EIR likewise fails to discuss adequate mitigation measures that could, to the extent necessary, address these impacts. The failure to identify mitigation measures for air and water quality impacts that will occur in the basin as a result of the Project's increase in vehicular use follows, in part, from the EIR's failure to analyze these impacts and determine whether or not they are significant. Nevertheless, because Placer County points to proposed mitigation measures and policies that it claims "would reduce VMT impacts of the Project in the Basin" (see FEIR 3-18), a discussion of these measures and policies is warranted. It is also worth discussing the mitigation measures that several commenters proposed to address these impacts, as well as Placer County's discussion of these air and water quality impacts in its staff report to the Planning Commission for the Project.

a. The mitigation measures and policies Placer County points to are insufficient to address the impacts of increased vehicle use within the basin.

Placer County points to mitigation measures that have been adopted for transit impacts and policies to enhance transit built into the Project as being sufficient to reduce VMT impacts of the Project in the basin. (FEIR 3-18.) While it is difficult to gauge whether mitigation is

sufficient when the impacts have not been quantified, in this instance the measures are facially deficient because they do not guarantee implementation of effective mitigation, nor are the mitigation measures specific to the impacts within the Lake Tahoe Basin. Regardless of the extent of the impacts, these mitigation measures are not sufficient to reduce the environmental impacts resulting from increased VMT within the basin, let alone the transit impacts they purport to address.

First, mitigation measure 10-5a consists of establishing a new Zone of Benefit or annexing into an existing Zone of Benefit to "provide adequate funding of capital and ongoing operational transit services/requirements." (DEIR 10-33.) The mitigation measure does not specify the amount of the funding obligation, nor does it identify target projects, nor is there any guarantee that the projects it identifies will improve conditions in the basin versus elsewhere in Placer County (e.g., in the town of Truckee). (See FEIR 3.5-448 [stating that the specific level of transit service improvements that would be funded has not yet been defined].) While funding contributions to improve transit could be a valid mitigation measure, the funding obligation is too vague and too disconnected from impacts within the basin to serve as a valid mitigation measure for these impacts. (See *California Clean Energy Commission v. City of Woodland* (2014) 225 Cal.App.4th 173, 197 [fair share fee to fund studies to identify strategies to address urban decay too speculative where EIR did not estimate costs, define how strategies might be implemented, or commit city to undertake actual measures to address urban decay]; *Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 727 [requirement that project applicant pay funds to purchase replacement groundwater not adequate mitigation because it was not known whether groundwater was available].)

Second, mitigation measure 10-5b is also inadequate. Mitigation measure 10-5b consists of a requirement that the commercial and homeowner associations maintain membership in the Truckee North Lake Tahoe Transportation Management Association. (FEIR 2-21.) Membership in an association does not ensure active participation nor that any on the ground improvements will be implemented to relieve impacts related to increased vehicle use in the Lake Tahoe Basin, let alone the transit issues the mitigation measure is designed to address. (See Cal. Code Regs., tit. 14, § 15370 [defining mitigation as including activities that will avoid, minimize, rectify, reduce, or compensate for an impact].)

Third, the policies Placer County points to are, likewise, vague and not sufficiently specific enough to ensure that there will be no impacts from increased vehicular use within the basin. For example, Placer County points to Policy CP-13 of the Project, which proposes to implement a shuttle with construction of the 340th unit of the Project (FEIR 3.3-5.) The basis for the timing of implementation of the shuttle service is not clear, nor is it clear that the shuttle would address VMT impacts within the basin – e.g., the routes for the shuttle are not specified, nor is the frequency of the service. Rather than point to these other measures and policies, Placer County should: (1) provide an adequate analysis of the vehicle impacts and associated air and water quality impacts within the basin, and (2) as necessary, propose adequate and binding mitigation measures tailored to address any significant impacts that result from increased vehicular use in the basin.

> Both Martis Valley West and Squaw Valley subsequently agreed to pay approximately $445K each as contributions to improve transit. How have these dollars been utilitized? Provide specific studies, projects etc.

TRPA legal Counsel has also weighed-in with a comment on VMT in the Tahoe Basin. According to TRPA's General Counsel, based on increased traffic counts, it is assumed that the Tahoe Regional Planning Agency's VMT threshold stndard is no longer in attainment.

Therefore, any increase in VMT in the Tahoe Basin is expected to contribute to violation of the TRPA threshold.

8/28/2019, TRPA Regional Plan Implementation Committee meeting:
This cannot be confirmed until TRPA's transportation model has been updated, which is expect ed in 2020. However, TRPA has been informing project applicants that projects can't increase VMT for this reason.

VMT is a huge consideration that cannot be taken lightly. The League to Save Lake Tahoe voiced concerns during this process. They generated a study in 2016 associated with VMT coming into the basin from a proposed project in Martis Valley. The analysis stated the basin is within 3% of exceedance. Since then more projects have been approved and a real-time basin-wide VMT culmulatve analysis must be performed. Bill Yeates asked the 64 thousand-dollar question? Which project puts us over?

From the Martis Valley West Specific Plan project

> The DEIR/S fails to properly analyze the cumulative effects of Squaw and Martis Valley on VMT. If the current VMT Threshold (from the Area Plan DEIR/S) is 2,030,938 VMT per day (on the peak day), and the current status is 1,937,070 VMT, the addition of 37,582 VMT from Squaw and Martis Valley projects will bring the status to 1,974,652 VMT. **This would mean the *entire* Lake Tahoe Region would be within 0.97% of attainment, meaning there is only 3% before the region is out of attainment.** This does not include the Brockway campground project, which could very well bring the region out of attainment. Simply concluding that Squaw and Martis Valley "would not make a considerable contribution to a significant cumulative impact," without any adequate explanation is not only not legally defensible, it is a potentially dangerous conclusion that could put the Lake at risk and result in a failure to prepare for a threshold nonattainment. Further, there is no discussion as to what is considered "significant" in either the transportation section of the Area Plan DEIR/S or the cumulative impact discussion. Concluding that there is not a considerable contribution to a significant cumulative impact is arbitrary because there is no standard of significance. While the Area Plan DEIR/S shows that VMT will decrease by 2035, again there is still no discussion of the Squaw and Martis Valley projects' impacts to existing conditions, or to future Area Plan build-out. Even with the projected beneficial improvement of a reduction to 1,931,634 VMT in 2035, the additional VMT from Squaw and Martis Valley would still bring the VMT threshold to **within 0.967% of complete attainment**. The work and efforts put forth through this Area Plan to improve existing traffic conditions could be negated by these projects. These inaccuracies must be resolved in the FEIR/S. The Squaw and Martis Valley FEIR/S should also be amended to reflect the most current data, and all of this information should be made public.

As stated by TRPA GB Members at the January 2020 meeting: modeling not based upon Tahoe Specific is problematic and should be based on more suitable information related to Tahoe specifically and not comparison data from other studies in Colorado, etc. Tahoe is unique and yes data difficult to compare this project to but with that said, over-densifying an area should not be the answer to economic deficit.

STAFF REPORT

Date: January 15, 2020

To: TRPA Governing Board

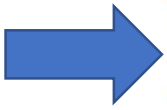
From: TRPA Staff

Subject: Tahoe Douglas Visitor's Authority Tahoe South Event Center Draft Environmental Assessment, TRPA File# ERSP2017-1212, 55 Highway 50, Stateline, NV (Douglas County, Nevada, APNs 1318-27-002-006)

Summary and Staff Recommendation:
No action is required at this time. Staff requests the Governing Board (GB) offer comments and solicit public input on the Draft Environmental Assessment for the Tahoe South Event Center project.

Background & Summary:
In November 2017 the Tahoe Douglas Visitor's Authority (TDVA) submitted a project application to TRPA for a 6,000-seat Event Center located in Stateline, Douglas County, Nevada at the southeast corner of the US Highway 50 intersection with Lake Parkway on the site where Mont Bleu is currently located. The TDVA is responsible for the planning, construction and eventual operation of the Event Center. TRPA released the draft Environmental Assessment on January 13, 2020. The EA identifies scenic quality, groundwater interception, and traffic impacts and mitigations are summarized and discussed below. The analyses conclude that all potential impacts can be fully mitigated with specific and enforceable mitigation. In particular, the traffic mitigations require an aggressive mitigation monitoring program and mandatory adaptive measures in the event monitoring reveals that transit service and parking management are not achieving the required trip and VMT reduction performance measures. TRPA is seeking Board and public comment on the draft environmental analysis, proposed mitigations, and project conditions before bringing the project for decision.

Who will be responsible (and how often) for monitoring and assessing the need for adapative measures and/or additional mitigations?



During trade shows, ice skating shows, and sporting events, such as hockey, basketball and volleyball, up to 4,200 seats would be available. To reduce traffic loads and competition with other area venues during the peak season, which runs from June 15 through Labor Day, a 2,500-seat limit would be implemented for the Events Center during the peak season along with a paid parking program and a new micro transit service. In addition, the Events Center is designed for "shelter-in-place" (i.e., as an emergency shelter) during an emergency should a natural disaster occur in the area. Office and meeting spaces are designed to accommodate Event Center administration, the TDVA and the Tahoe Chamber of Commerce. It is anticipated that community meetings such as the Douglas County Board of County Commissioners would be held in one of the meeting rooms. It is estimated that the Event Center could host approximately 130 events per year at forecasted operating efficiency, with most of the events likely occurring in spring, early summer, and fall months.

AGENDA ITEM NO. IX.A.

As stated in recent Douglas County Board of Commissioners meetings they are trying to eliminate the use of a Tahoe facility and/or pay less than $50K a year. To further support the assessment of not using a Tahoe facility and taking millions from the tax roll is Senator Settlemeyers comment: Senator Settlemeyer, Senate District 17 representing Douglas, Lyon, Storey and Churchill Once we bring the people to Tahoe, then Tahoe will sell itself…. Senator Settlemeyer said in 1986, 70 percent of the property taxes in Douglas County were generated at Lake Tahoe. Now it's 36 precent. The district lines have changed and with redistricting coming up, it will happen again.

TRPA Code provides a path to acknowledging the Event Center should be ananlyzed as an EIS

CHAPTER 3: ENVIRONMENTAL DOCUMENTATION

3.1. PURPOSE

This chapter sets forth the provisions regarding environmental documentation.

3.2. APPLICABILITY

3.2.1. Environmental Impact Statement Required

Article VII(a)(2) of the Compact requires TRPA, when acting upon matters that may have a significant effect on the environment, to prepare and consider a detailed environmental impact statement (EIS) before deciding to approve or carry out any project.

3.2.2. Activities and Projects Exempt from Preparation of Environmental Impact Statement

Article VII(f) of the Compact, requires TRPA to adopt by ordinance a list of classes of projects which TRPA has determined will not have a significant effect on the environment and therefore shall be exempt from the requirement for the preparation of an environmental impact statement.

A. Projects Exempt From Preparation of Environmental Impact Statement
The projects listed below shall be exempt from preparation of an EIS and other environmental documents.

1. Construction of single-family houses and additions and accessory structures thereto, in compliance with the provisions of the Code;
2. Changes in use consisting of minor increases in vehicle trips (See Chapter 65: *Air Quality/Transportation*); and
3. Transfers or conversions of development rights (does not include construction of new units).

B. Significant Effect
The categorical exemptions listed above shall not be used for a project where there is a reasonable possibility that the project will have a significant effect on the environment due to unusual circumstances.

The examples for exempt projects make sense the Event Center proposal does not. A brief discussion is not appropriate. This project must require more detailed analysis due to the sheer size, anticipated traffic impacts which will be difficult to mitigate appropriately based on assumptions and no real criteria for specfic traffic models, dynamic scenic changes, etc. This points out several reason for this project to be analyzed under an EIS.

3.4. ENVIRONMENTAL ASSESSMENTS

If TRPA determines the IEC will not provide sufficient information to make the findings in subsection 3.3.2, TRPA shall require the preparation of an environmental assessment in lieu of an initial environmental checklist.

3.4.1. Environmental Assessment Contents

Environmental assessments shall contain the following elements:

A. A brief discussion of the need for the project;

B. Alternatives to the proposed project;

C. A discussion of the environmental impacts of the proposed project and the alternatives; and

D. A list of agencies and persons consulted.

3.4.2. Findings for Environmental Assessment

Based on the information contained in the environmental assessment and other information known to TRPA, TRPA shall make one of the findings listed under subsection 3.3.2 and take the action prescribed in the applicable finding.

3.4.3. Availability of Environmental Assessments

TRPA shall make environmental assessments available for public review not less than five working days before TRPA intends to take action on the project.

Discussions as noted in the EA code should not replace detailed analysis requirements.

3.7. ENVIRONMENTAL IMPACT STATEMENT

If TRPA finds a project or matter may have a significant effect on the environment, TRPA shall cause to be prepared an EIS in accordance with its Rules of Procedure, this chapter, and the Compact.

3.7.1. Preparation of EIS

When preparing an EIS, TRPA shall:

A. Utilize a systematic interdisciplinary approach that integrates natural and social sciences and the environmental design arts in planning and decision making that may have an impact on man's environment;

B. Study, develop, and describe appropriate alternatives to recommended courses of action for any project that involves unresolved conflicts concerning alternative uses of available resources;

C. Consult with and obtain the comments of any federal, state, or local agency that has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate federal, state, and local agencies that are authorized to develop and enforce environmental standards shall be made available to the public and shall accompany the project through the review processes; and

D. Consult the public during the environmental impact statement process and solicit views during a public comment period of not less than 60 days.

3.7.2. Contents of EIS

An EIS shall include, at a minimum, the following:

A. Description of the project;

B. The significant environmental impacts of the proposed project;

C. Any significant adverse environmental effects that cannot be avoided should the project be implemented;

D. Alternatives to the proposed project;

E. Mitigation measures that must be implemented to assure meeting standards of the region;

F. The relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity;

G. Any significant irreversible and irretrievable commitments of resources that would be involved in the proposed project should it be implemented; and

H. The growth-inducing impact of the proposed project.

This comes down to making the necessary Findings as defined in Chapter 4 of TRPA Code

CHAPTER 4: REQUIRED FINDINGS

4.1. PURPOSE

The Tahoe Regional Planning Compact requires TRPA to make findings before taking certain actions. In addition, the Regional Plan package, including the Code and plan area statements, sets forth other findings that must be made. This chapter sets forth procedures describing how TRPA shall make the findings required.

4.2. APPLICABILITY

Prior to approving any project or taking any other action specified in this Code, TRPA shall make the findings required by the provisions of the Regional Plan package, including the Goals and Policies, the Code, and specifically this chapter and any other requirement of law. All such findings shall be made in accordance with this chapter.

4.3. PROCEDURE FOR FINDINGS

Findings shall be made as provided below.

4.3.1. Written Findings

All required findings shall be in writing and shall be supported by substantial evidence in the record of review. The findings required by Section 4.4 shall be in writing prior to the approval of the proposed matter.

4.3.2. Statement

Required findings shall be accompanied by a brief statement of the facts and rationales upon which they are based.

4.4. THRESHOLD-RELATED FINDINGS

The following specific findings shall be made, pursuant to Articles V(c), V(g) and VI(b) of the Compact, in addition to any other findings required by law.

4.4.1. Findings Necessary to Approve Any Project

To approve any project TRPA shall find, in accordance with Sections 4.2 and 4.3, that:

A. The project is consistent with and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, plan area statements and maps, the Code, and other TRPA plans and programs;

B. The project will not cause the environmental threshold carrying capacities to be exceeded; and

C. Wherever federal, state, or local air and water quality standards apply for the region, the strictest standards shall be attained, maintained, or exceeded pursuant to Article V(d) of the Tahoe Regional Planning Compact.

4.4.2. Making Specific Findings

As part of the findings required by subparagraph 4.4.1, TRPA shall:

A. Identify the nature, extent, and timing or rate of effects of the project, using applicable measurement standards consistent with the available information, on all applicable:

Additional information on the League's position on VMT in 2016

THE LEAGUE TO SAVE LAKE TAHOE STEPS UP THEIR GAME

Mark | October 16, 2016 | Editorial, Featured | 6 Comments

Near-Tahoe development: looming threat to Tahoe?

Tahoe and traffic. Those two shouldn't go together.

People visit Tahoe to get away from it all, including traffic, but a typical Tahoe vacation is likely to include time stuck on our congested roads. And scientists have found that excessive car traffic poses a critical threat to Lake Tahoe clarity.

"The League is concerned that nearby developments that circumvent Tahoe standards will become a new tactic for those looking to make a profit but hesitant to provide environmental benefits to the Lake as required by TRPA," said Darcie Goodman Collins, PhD, the League's executive director.

The Placer County Board of Supervisors met last week in Auburn and completed the final approvals on the Martis West project. It's not even close to the end though, because we expect that local environmental groups will be filing suit shortly. That was to be expected and we applaud Sierra Watch's efforts. Here's the complete Sierra Watch press release.

More surprising is that the League to Save Lake Tahoe is stepping up their game. I've probably received their newsletter in the mail before and never really given it much thought. But this newsletter contained two articles about development within the region posing a threat to Lake Tahoe. Kudos to the staff at the League to Save Lake Tahoe for taking a stand. The more we stand together, the better chance we have of stopping unchecked development within the North Tahoe region. Here's two articles from their newsletter:

NEAR-TAHOE DEVELOPMENT: LOOMING THREAT TO TAHOE?

TAHOE AND TRAFFIC. THOSE TWO SHOULDN'T GO TOGETHER.

People visit Tahoe to get away from it all, including traffic, but a typical Tahoe vacation is likely to include time stuck on our congested roads. And scientists have found that excessive car traffic poses a critical threat to Lake Tahoe clarity. Trafiic threatens Lake Tahoe's health by increasing air pollution that feeds algae. Scientists have also found that the top cause of clarity loss in Lake Tahoe is fine sediment pollution, predominantly coming from cars crushing the road sands used to make winter driving safer.

At the time this Newsletter went to print, two proposed massive projects near Tahoe are in the final stages of environmental review by local government officials: one at Martis Valley West, on a ridge overlooking Lake Tahoe, and the other in Squaw Valley. These projects would draw thousands of people to Tahoe, but do not fall under the direct oversight of the Tahoe Regional Planning Agency. Because they are located just outside of the Lake Tahoe Basin boundary line, each circumvents the standards that protect the lake. Each would clog the area with traffic and pollute Lake Tahoe.

These projects, aimed at Tahoe visitors and second home owners would degrade the lake by adding pollution from the the traffic equivalent of 2,000 cars each driving 18 miles daily to get to Tahoe destinations.

"The League is concerned that nearby developments that circumvent Tahoe standards will become a new tactic for those looking to make a profit but hesitant to provide environmental benefits to the Lake as required by TRPA," said Darcie Goodman Collins, PhD, the League's executive director.

There are solutions to Tahoe's traffic problems. Thanks to your support, League staff have the resources to advocate at the local, state and federal levels for funding for innovative Lake-friendly transportation solutions. We are working with the Tahoe Transportation District to identify options to improve public transit. Our staff is collaborating with private developers and the business community to ensure redevelopment in Tahoe's communities makes it easier for people to walk, ride a bike or take the bus.

"We will continue to collaborate with local government agencies, TRPA, advocates and the project proponents when possible to insist developers of out-of-Basin projects provide reasonable solutions to the negative traffic impacts to [illegible]posed by their projects," said Dr. Collins.

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LEAGUE CONDEMNS PLACER COUNTY APPROVAL OF MARTIS VALLEY WEST PROJECT

Sep 13, 2016

This afternoon, the Placer County Board of Supervisors voted 4-1 to approve the controversial Martis Valley West proposal. The following is a statement by League to Save Lake Tahoe Executive Director Darcie Goodman Collins, PhD:"This is bad news for Lake Tahoe. By approving Martis Valley West, Placer County is consenting to threats to Tahoe for which no solution has been proposed. In their decision, the majority of supervisors ignored the environmental laws California has set up to protect important places like Tahoe. This sets a terrible precedent.

California environmental law is meant to ensure adequate analysis of the negative impacts of proposed development, and requires solutions be implemented to address the impacts that cannot be avoided. No solutions were advanced to address the project's estimated increases in

traffic at Tahoe.

Traffic is one of the most significant sources of pollution threatening the Lake's clarity. This decision brings us too close to the threshold for car trips in the Tahoe Basin, a figure expressed in vehicle miles traveled. Cumulatively, traffic from the proposals at Martis and Squaw would bring Tahoe within 3 percent of Tahoe's threshold for vehicle miles traveled.

Future projects located inside the Lake Tahoe Basin may now not be approved because of our nearness to the threshold. This is unfortunate, as Tahoe's Regional Plan Update would require such in-Basin projects to deliver environmental benefits to Lake Tahoe. Will it become a new norm for area jurisdictions to ignore threats to Tahoe, and pile up development just outside the Lake Tahoe Basin? Organizations such as ours will continue to advocate for Lake-friendly redevelopment and a stronger set of protections for Lake Tahoe."

https://www.trpa.org/wp-content/uploads/H_Events_Center_Scenic_Evaluation_report.pdf

Scenic Assessment

Parking: Existing parking for MontBleu totals 1,494 parking spaces (including all surface and garage lots). The Events Center proposes to reorganize the surface parking areas and would reduce the number of available spaces by 468.

Common sense tells us by adding a large event center venue additional parking will be required not a reduction as proposed.

As part of the 2012 TRPA RPU process, TRPA identified potentially significant scenic impacts related to increasing building heights in community centers (including the High Density Tourist District). TRPA adopted scenic mitigation measure 3.9-1b to require no net increase in visual prominence for redevelopment of existing high-rise structures in the High Density Tourist District. Because the Events Center project does not include redevelopment of an existing high-rise structure, mitigation measure 3.9-1b does not apply to the Project. The following standards are applicable to the scenic analysis of the Events Center project.• The Events Center is not subject to the scenic findings in TRPA Code Section 37.7 –specifically Sections37.7.16 (Finding

16 –Three-or Four-Story Buildings in Town Centers and Three-to Six-Story Buildings in the Regional Center) and 37.7.17 (Finding 17 –Redevelopment in High Density Tourist District within Existing Visual Prominence) and the findings identified therein do not apply to the proposed Events Center in the High Density Tourist District of the South Shore Area Plan. •Maximum permissible height for a new Events Center building in the High Density Tourist District of the South Shore Area Plan is 95 feet. •The Events Center is subject to the 80/20 standard set forth in Section 2.1.17 of the TRPA Design Standards and Guidelines. Section 2.1.17 of the Design Standards and Guidelines states "The travel route of Hwy 50 has a 'canyon effect' because the existing tower structures are located too close together with inadequate setbacks. Within a given property, eighty percent of the buildings fronting Hwy 50 shall not exceed 56 feet in height when an existing building or buildings are being replaced within 100 feet of the right-of-way. Twenty percent of the building or buildings frontage may be constructed to a maximum height of 95 feet." •The Events Center is subject to the applicable standard that projects shall maintain or improve the scenic quality ratings for scenic resource units, roadway units or shoreline units as specified in Code Chapter 66.

Comments on the 2018 EA Draft

<u>These previous comments during 2018 scoping are still appropriate.</u>

1). Alternatives to the Proposed Project "My devil's advocate comment on the whole thing is why they even need the events center: the casinos have huge ballrooms that can and should be used for concerts and performing arts events. Can't they redesign those within the existing footprint? Those ballrooms go empty so much of the time, so we really need another events center?" (Dondra Biller)

2). Purpose and Need and Project Objectives…. addresses the need to strengthen the economic health of Douglas County and its townships through promotion and development of tourism and economic redevelopment. Revenue generated by the transient occupancy tax is designated for studies and actual development toward this goal. This goal is very broad and non-restrictive. True, the South Shore of Lake Tahoe currently lacks a year-round venue, but the Douglas County Board of County Commissioners have not concluded within the referenced Douglas County Codes that such a venue is necessary. The commissioners only state, "All funds collected will be used to increase and support special events and tourism related venues..." The proposed South Shore Events Center is within the scope of the code, but has not been identified as the singular solution. The narrative of the scoping document steers the dialog down one path and implies that alternative proposals, such as other than an events center or even an events center at a different site, have already been considered, dismissed and are no longer under consideration.

Topic of discussion: Desired Condition. References: 2a) Tahoe Regional Planning Agency Regional Plan adopted June 06, 2016, Chapter 2, Land Use Element, Policy LU (Land Use) - 1.1; 2b) Douglas County, Nevada, South Shore Area Plan, adopted by TRPA on September 25, 2013, Section on Phase I: South Shore Area Plan, sub-section High Density Tourist District; 2d) Douglas County, Nevada, Master Plan Drafted October 2014 (and awaiting TRPA approval),

Section on Phase I: South Shore Area Plan, sub-section High Density Tourist District. The description of the desired condition is repeated verbatim below from the scoping notice. The text in italicized, larger font is the topic of discussion. DESIRED CONDITION: The desired condition is a high-quality public assembly and entertainment venue for residents and visitors to the south shore of Lake Tahoe. There is also a desire to reinvent the built environment....2a) Comments: The desire for a high-quality venue is inconsistent with the approved objectives stated in each of References (2a) through (2c).An extract from Reference 2(a) is repeated below: THE PRIMARY FUNCTION OF THE REGION SHALL BE AS A MOUNTAIN RECREATION AREA WITH OUTSTANDING SCENIC AND NATURAL VALUES. From References 2(b) and 2(c), addressing the area bounded by the Casino Core Area and the lower Kingsbury area, and therefore applicable to the proposed events center, the plans state, The objective is to transform the area into a world class recreational tourist destination, which will include... All redevelopment projects in the High Density Tourist District will be evaluated to ensure consistency with these overall objectives.2b) Proposed Resolution -As approved and slightly restated from above, all redevelopment projects in the High Density Tourist District shall be evaluated to ensure consistency with the overall objectives. TRPA and Douglas County should review the proposed events center for compliance with its own established objectives.

It is not apparent how a public assembly area and entertainment venue qualifies as a world class recreation destination while showcasing the beauty that is Lake Tahoe. The plans for the events center should either be abandoned for non-compliance, or the regional plans and South Shore plans should be modified to support the creation of an events center." (John Jay)

3). NEPA and TRPA Requirements "1. NEPA requires TRPA to accurately analyze the potential impact of the project on TRPA's vehicle miles traveled threshold standard. An Environmental Assessment ("EA") is intended to provide sufficient evidence and analysis for determining whether to prepare an environmental impact statement or a "finding of no significant impact" ("FONSI"). In evaluating the significance of a proposal for agency actions, the EA should focus on the context and intensity of effects that may significantly impact the quality of the human environment. Thus, in order to issue a FONSI TRPA must properly conclude that the Project will not "have a significant effect on the human environment.

Here, it is unclear how TRPA may properly make such a finding without a complete and accurate analysis of VMT based on current conditions. The Bi-State Compact requires TRPA to adopt environmental threshold carrying capacities for the region and to make findings prior to project approval that the Project "will not cause the adopted environmental threshold carrying capacities of the region to be exceeded. (League to Save Lake Tahoe)

Summary and Staff Recommendation:
No action is required at this time. Staff requests the Governing Board (GB) offer comments and solicit public input on the Draft Environmental Assessment for the Tahoe South Event Center project.

Background & Summary:
In November 2017 the Tahoe Douglas Visitor's Authority (TDVA) submitted a project application to TRPA for a 6,000-seat Event Center located in Stateline, Douglas County, Nevada at the southeast corner of the US Highway 50 intersection with Lake Parkway on the site where Mont Bleu is currently located. The TDVA is responsible for the planning, construction and eventual operation of the Event Center. TRPA released the draft Environmental Assessment on January 13, 2020. The EA identifies scenic quality, groundwater interception, and traffic impacts and mitigations are summarized and discussed below. The analyses conclude that all potential impacts can be fully mitigated with specific and enforceable mitigation. In particular, the traffic mitigations require an aggressive mitigation monitoring program and mandatory adaptive measures in the event monitoring reveals that transit service and parking management are not achieving the required trip and VMT reduction performance measures.
TRPA is seeking Board and public comment on the draft environmental analysis, proposed mitigations, and project conditions before bringing the project for decision.

From the December 2019 meeting: A key element in completing the environmental assessment was to ensure that project mitigations and conditions are clearly written, effective at reducing impacts, and enforceable over the long term. That statement begs the question: Is enforceability and assumptions without identified criteria/analysis viable?

As part of the EIS, appropriate fire, law enforcement, other agencies would weigh-in. Have those agencies been consulted and are there any published comments?

Mr. Feldman said people don't construct event centers to make money from them. It could operate at a loss and be a huge success. They expect that it will start at a loss but over time, the forecast is that it will break even and potentially make some money. The economic magic is to the rest of the community, not as an independent profit center.

Again, why should the taxpayers be held fiscally accountable by throwing good money at bad? Reminder a small-scale project known as BLUE GO bus.

As the staff report states: This will be paid for by tax increment financing through the redevelopment area (RDA) in Douglas County. One percent of the lodging license fee which flows to the Tahoe Douglas Visitors Authority would be pledged for bonds and the balance would be made up by what was recently adopted by the State of Nevada; the $5.00 per night, room night surcharge. That would generate sufficient revenue to construct the facility. I ask that the Governing Board REMOVE the tax increment RDA revenue stream as the $5.00 per night room surcharge will generate approximately $4.4 million a month which should be adequate and let the taxpayers, off the hook.

The reality check here is you don't really know what people are going to do. Even at 50/50 paid parking or microtransit use there should be analysis above and beyond the requirements of an EA. The EA did not sufficiently provide that criteria or analysis.

Supplemental Material
Board: BOCC
Meeting Date: 2/27/2020
Item: 3

The following information was provided by TDVA to update their presentation adding pages 9-15.

Tahoe Douglas Visitors Authority

Tahoe South Events Center

Updated: Added pages 9-15

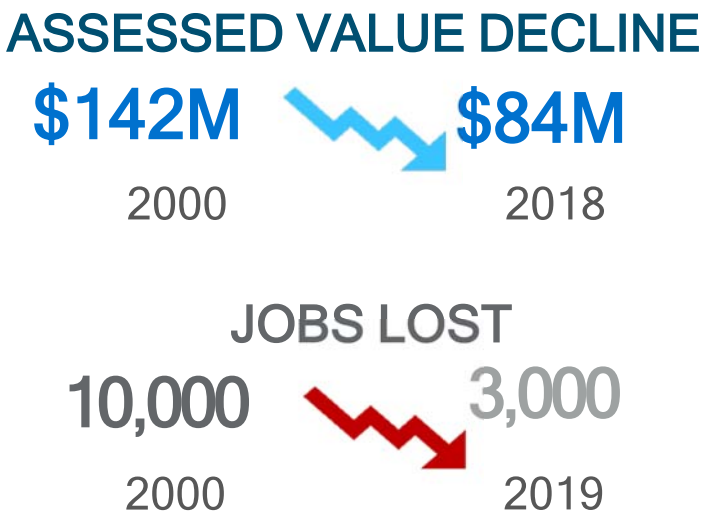
February 27, 2020

Table of Contents & Key Discussion Points

1. History Behind the Event Center and Overview of the Project
2. Summary of Key Findings from Studies Done by TDVA's Consultants
3. Financing Plan for the Event Center
4. Draft Financing Agreement Between Douglas County and TDVA and the Need for Project Area #2 Tax Increment
5. Tentative Events Center Schedule

History Behind the Event Center

- Tribal gaming in California has significantly reduced the revenue, both private and public, coming from the South Shore casinos
- These decreases in gaming at the South Shore are indicative of the **large regional economic trend** over the last twenty years
- Economic vitality of the South Shore depends on **expanding non-gaming facilities** and attractions for the South Shore
  - Entertainment venues are crucial to the expansion of non-gaming revenue (as Las Vegas has shown)
- Event Center is a key element of the South Shore's economic development strategy



Studies show that without the Event Center, it is likely that the South Shore economy will continue to decline

Tahoe Douglas Visitors Authority

California Side's Solution to the Problem

Redevelopment on the California side has transformed the community, revitalized the economy, and significantly improved the built environment

Before Redevelopment

After Redevelopment

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Existing and Proposed Conditions

Existing Condition

Proposed Condition

Events Center location on donated land

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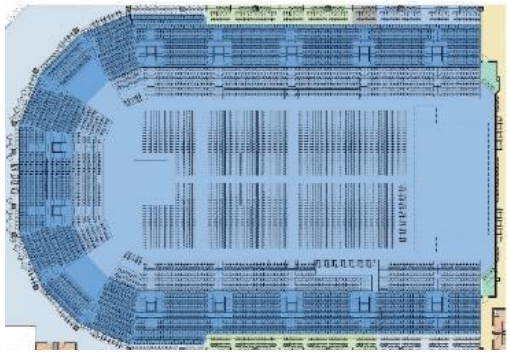
Current Status of Proposed Site

Creating a New Gateway to Stateline, Nevada

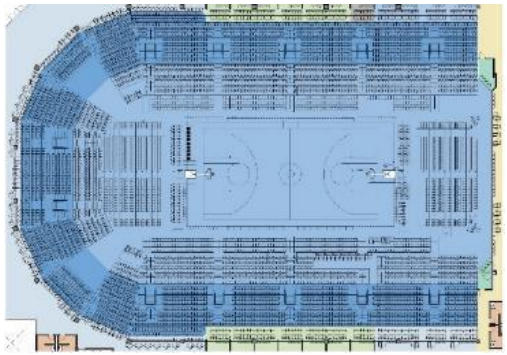
Events Center is Designed for Many Uses



ENTERTAINMENT TAHOE STYLE

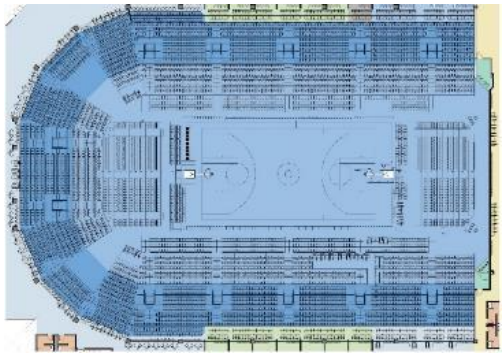
- Concerts
- Music Festivals
- Performing Arts

138,000 square foot Events Center designed with flexible space, capacity for up to 4,200 seats, and open floor space for conventions and trade shows



WORLD CLASS SPORTS

- Ice hockey, figure skating, cross fit competitions, Weightlifting, Yoga
- Indoor Football, Soccer, Lacrosse, Basketball



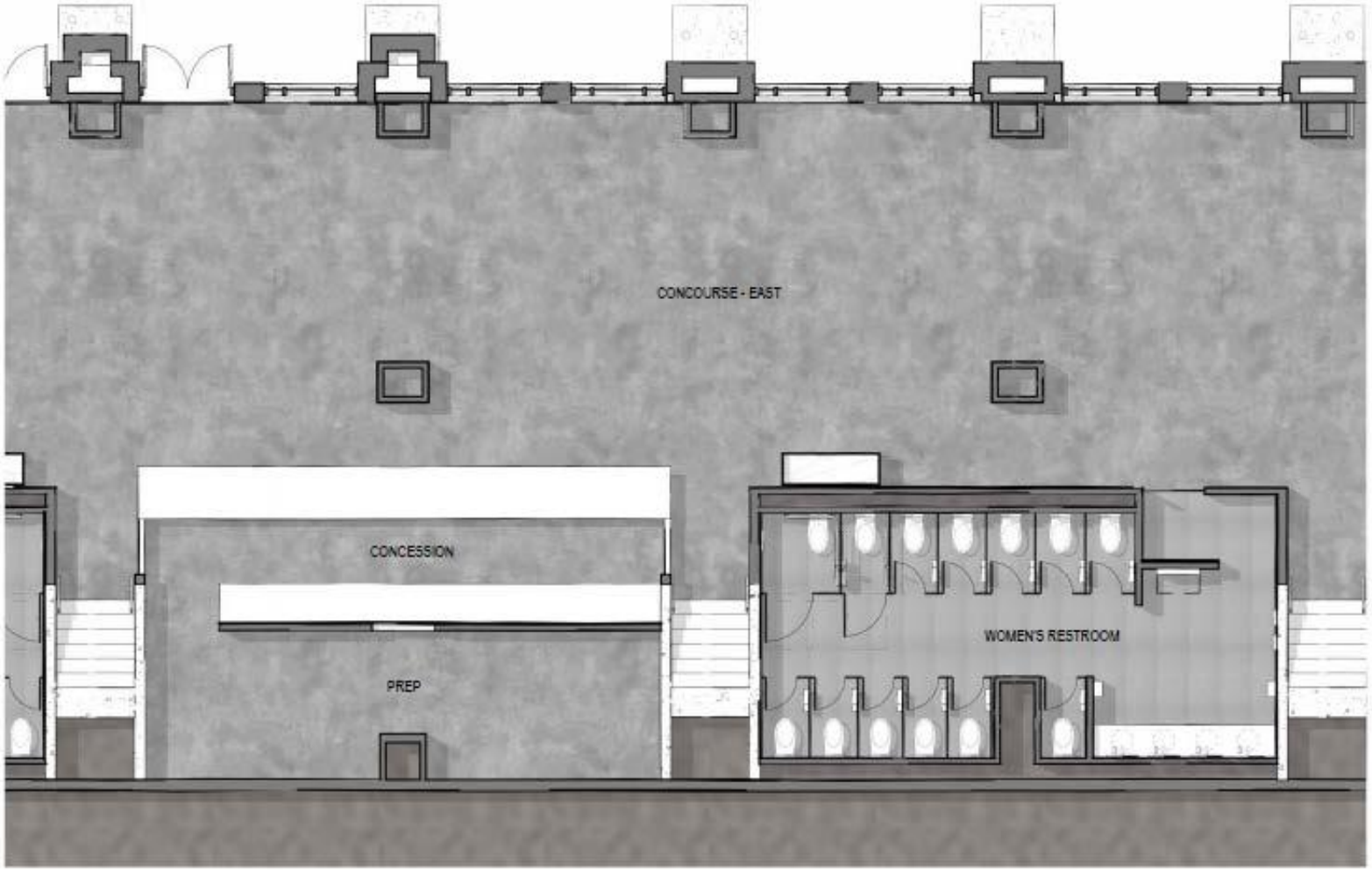
CONVENTIONS TRADE SHOWS

- Science and technology conventions, industry trade shows, corporate events and retreats

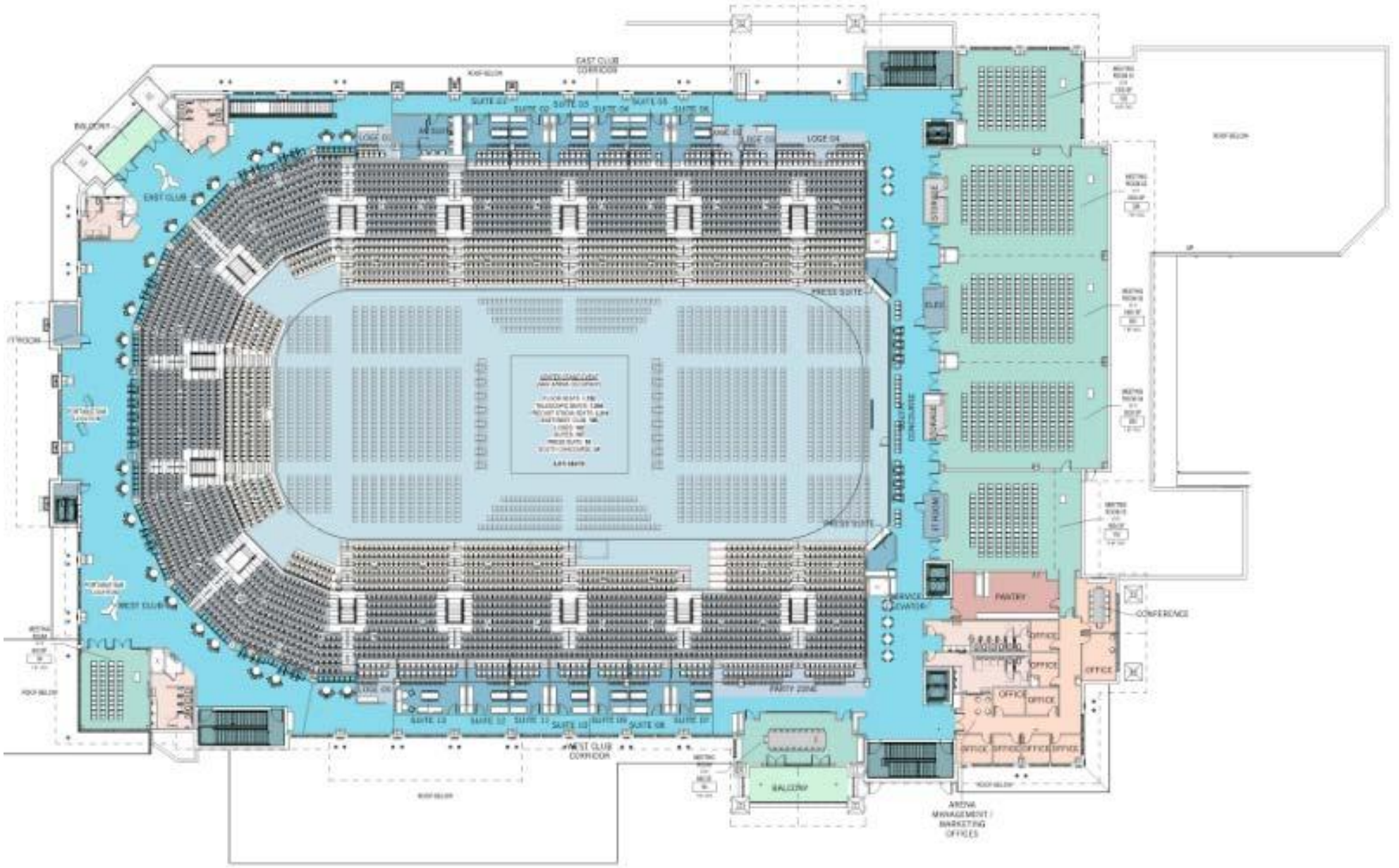
Tahoe Douglas Visitors Authority

6

STORAGE
JANITORS CLOSET
STORAGE
ELECTRICAL ROOM
FOOD CARTS


CONCOURSE - EAST
CONCESSION
PREP
WOMEN'S RESTROOM

101-102
FOOD & BEVERAGE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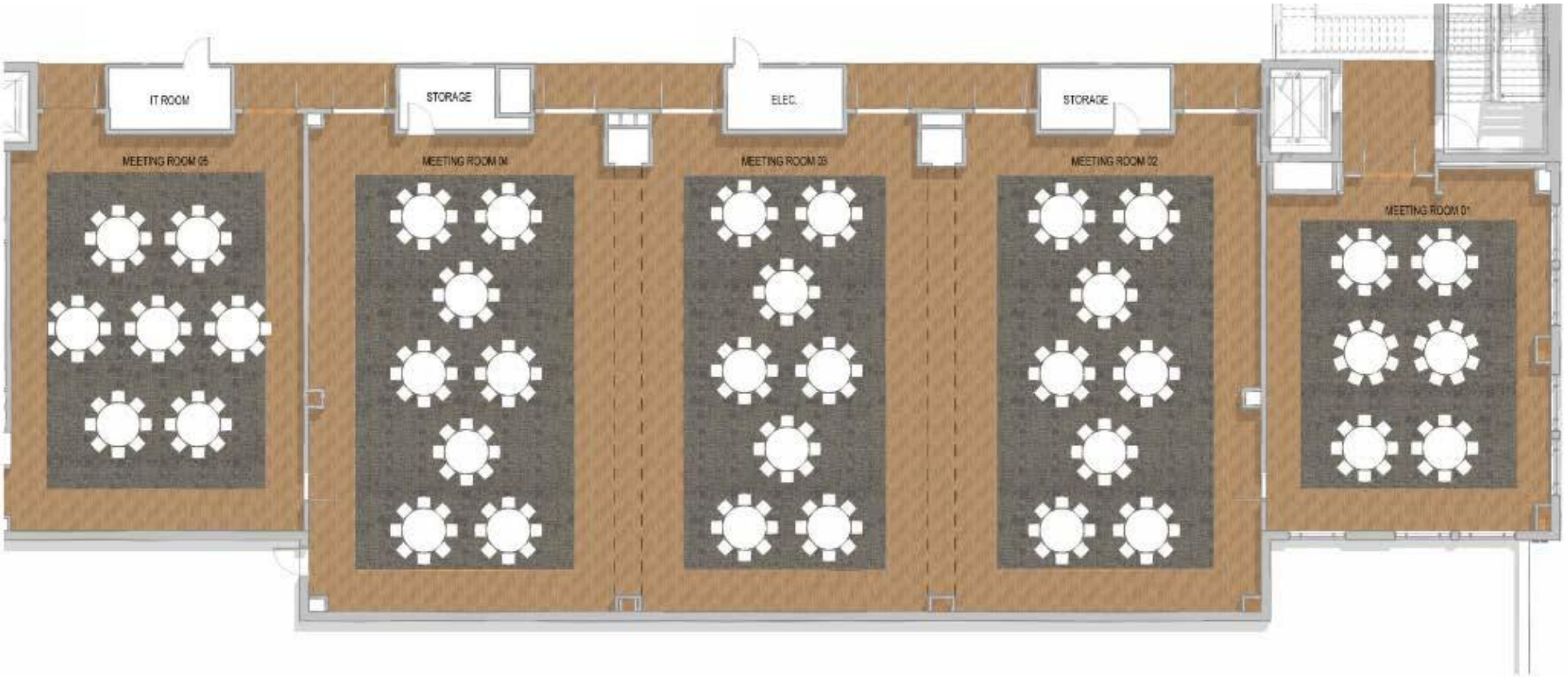
EAST CLUB
WEST CLUB
WEST CLUB CORRIDOR
PRESS SUITE
PARTY ZONE
BALCONY
PANTRY
CONFERENCE
OFFICE
ARENA MANAGEMENT / MARKETING OFFICES


IT ROOM
STORAGE
ELEC.
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MEETING ROOM 05
MEETING ROOM 04
MEETING ROOM 03
MEETING ROOM 02
MEETING ROOM 01

ADVENTURE IS
OUT THERE

Transportation Deliverables and Environmental Benefits

TRANSPORTATION DELIVERABLES

Combining incentives and disincentives to create a catalyst for transformative transportation improvements

Operating limitations: deed restricted limited occupancy during high visitation months

Incentive: Free, frequent and fun seasonal microtransit shuttle service

Incentive: Micromobility Hub located at the gateway to Stateline (turnout for public busses and microtransit shuttles)

Disincentive: Paid parking with dynamic pricing to significantly reduce VMT and congestion

Transportation deliverables require dedicated TDTD funding (½ of 1% of TOT)

ENVIRONMENTAL BENEFITS

Parking management plan that focuses on dis-incentivizing reliance on cars

Improved water quality through reduction in impervious land coverage and fine sediment loading

Significant progress toward scenic threshold attainment

Significant reduction in VMT and greenhouse gas emissions

Tahoe Douglas Visitors Authority

Tahoe Douglas Transportation District ("TDTD") Funding

- 1% of TOT collected within the District is required to be used for TDTD projects (Douglas County Code § 3.14.030(B)(1).)
  - Includes costs related to establishing, maintaining, and operating a transit system (DCC § 3.14.055, NRS 244.33512(2)-(3))
- Funds are currently allocated to the payment of debt service for the bond for the parking garage at Stateline (expires 2020)
- TDVA is requesting that one-half (1/2) of the 1% TOT be allocated to the District for the purpose of operating microtransit service in connection with the Events Center (currently approximately $400k/year)

Event Center: A Public Private Partnership

- Hospitality industry at South Lake Tahoe has invested over **$500 million** in recent years in improvements and projects and **$100 million** in support for the Events Center
- Proposed total tax increment pledge from Project Area #2 through FY 2046 is equivalent to $34.25 million

Major Local Investment	Estimated Amount
Hard Rock Casino Renovation	$60,000,000
Harvey's Lake Tahoe Renovation	$41,000,000
Edgewood Tahoe Resort	$100,000,000
Tahoe Beach Club	$300,000,000
Recent Major Local Investment	**$501,000,000**

Direct Events Center Support	Estimated Amount
Casino Support of $5/night surcharge*	$90,000,000
Land Donation for the Events Center	$10,000,000
Recent Major Local Investment	**$100,000,000**

**Estimated as $3 million per year for 30 years for illustrative purposes only; actual SB 461 language does not contain sunset*

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Expanded Revenue Sources Demonstrate Partnership

- Current financing plan leverages **multiple revenue sources** through a partnership of **multiple stakeholders**

1. Private sector supported the $5/night hotel room surcharge
   - Casinos supported $5/night surcharge even though room rates are largely controlled by market and an increase in taxes due to new surcharge is expected to be absorbed by Casinos
2. TDVA and partners matching these revenues with existing resources by utilizing
   - Lodging and license fee (LLF) revenues received by TDVA
   - TOT revenues received by TDVA
3. County support requested through Tax Increment Pledge

While we cannot guarantee an increase in jobs from the events center to offset the losses in gaming jobs, the events center is projected to reverse the trajectory of the area by creating new jobs

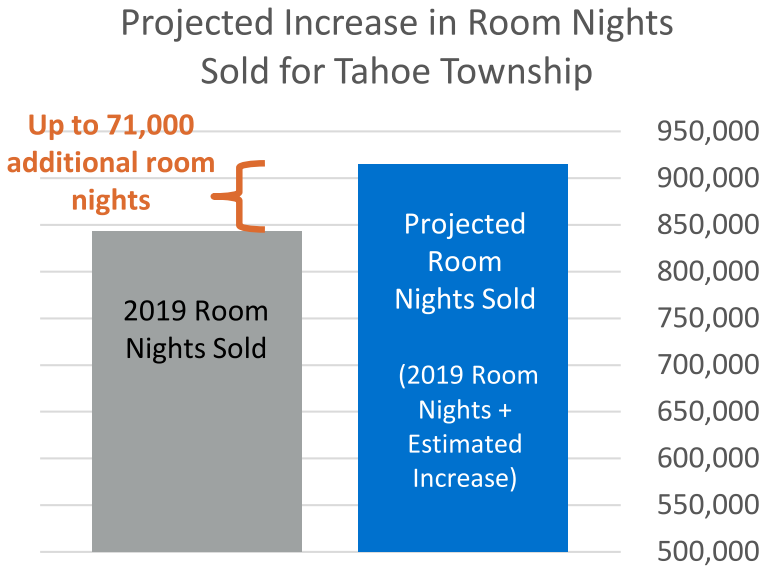
Tahoe Douglas Visitors Authority

Expert Review of Event Center and Plan of Finance

- TDVA has brought in professional expertise to analyze the feasibility and economic impacts of the Event Center construction and operation
  - Convention Sports & Leisure International (CSL)
    - Determining the increase in room nights in the Tahoe Township of Douglas County
  - Economic & Planning Systems (EPS)
    - Determining the fiscal impact of the Event Center on Douglas County
  - MuniCap
    - Reviewing historic tax increment and projecting future tax increment
  - SMG
    - Determining the fiscal impact of a “do nothing” approach
  - NHA Advisors
    - Retained as financial advisor for the proposed bond issue
  - Stifel Nicolaus
    - Retained as underwriter for the proposed bond issue
  - Stradling Yocca Carlson & Rauth
    - Retained as Bond and Disclosure counsel for the proposed bond issue
  - Jones Hall
    - Retained as underwriter’s counsel for the proposed bond issue
  - Saddle Peak Hotels Advisory
    - Retained to evaluate and provide a projection of room tax revenues

Key Findings of Studies on Events Center Impact

- Studies identified expected increases in:
  - Occupied room nights of 57,300 to 71,100 per year for the Tahoe Township
  - Annual employment of 380 to 470 new jobs (after Event Center opening)
  - $7 to $9 million per year in hotel revenues for the tourism core



Projected Additional Area Employment
(After Events Center Completion)

Type	Low Assumption	High Assumption
Hotel	110	130
Restaurant	110	140
Entertainment	80	100
Retail	50	70
Other Local Transit	10	10
Other Industries	20	20
Total	**380**	**470**

Tahoe Douglas Visitors Authority

Key Findings of Studies on Events Center Impact

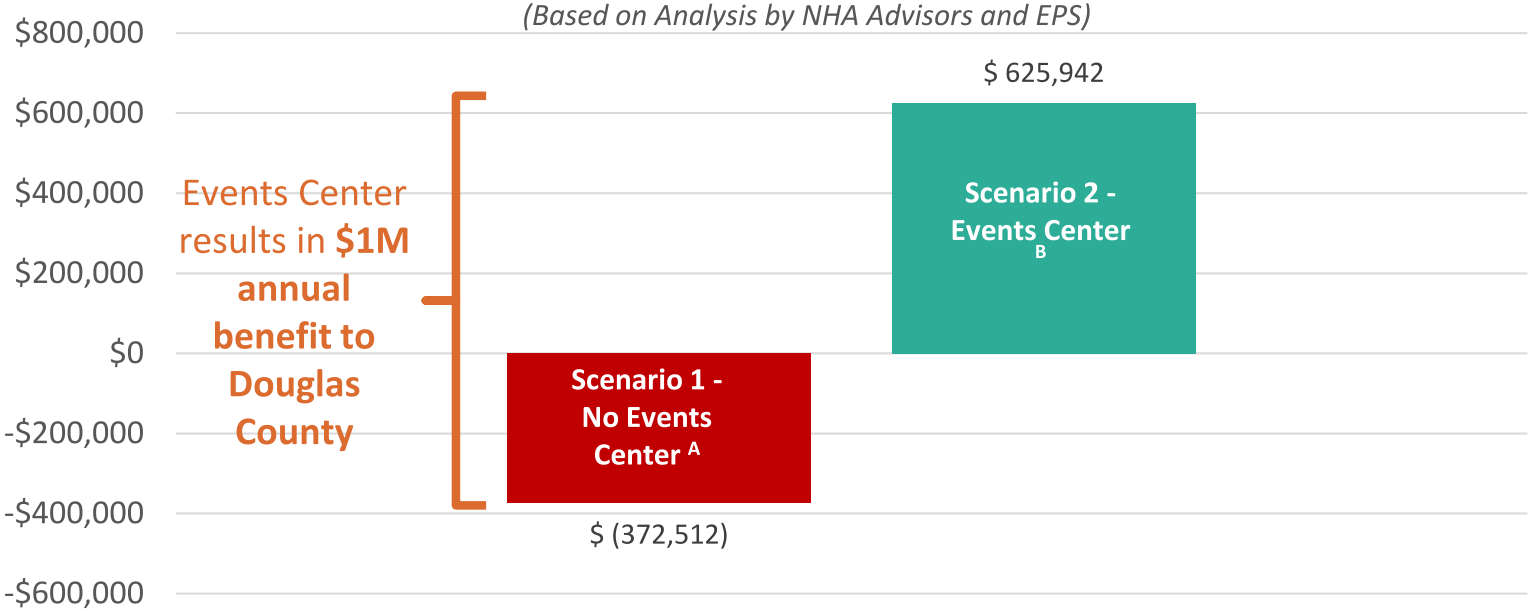
Without Events Center

With Events Center

- Annual County revenues are projected to decline by over $373,000/year, including property tax, lodging tax, and sales tax declines
  - Continued loss of employment in the Stateline area
- Projected increase net revenues to the County, after operating expenses, of nearly $625,000 per year
- Combined Increase in benefit to County of over $890,000 per year
  - Only consolidated tax flows to the general fund; TOT/LLF goes to either Room Tax Fund or Transportation Fund

Summary of Benefit to Douglas County

(Based on Analysis by NHA Advisors and EPS)



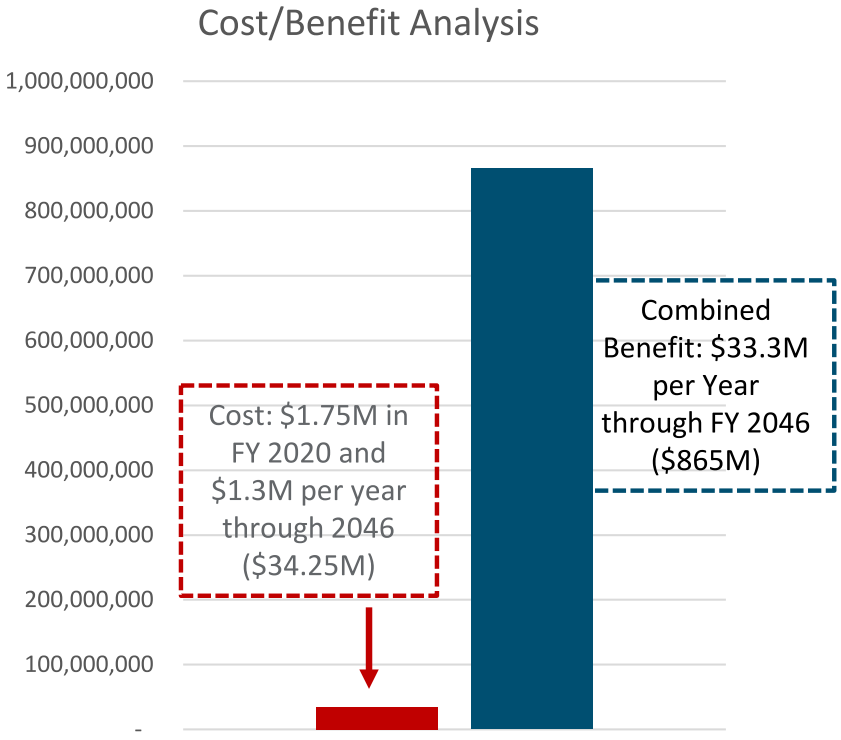
***Source**: SMG, EPS, and NHA Advisors*

[A] Scenario 1 assumes $21.1M decrease in AV, a $25.5M decrease in taxable sales, and a $5.0M decrease in lodging revenues

[B] Scenario 2 assumes no change in AV, $30M increase in taxable sales, and $16.5M increase in lodging revenues

Events Center Cost/Benefit Analysis

- Combined spending for hotel, restaurant, entertainment and retail of $33.3 to $40.6 million per year
  - Cumulatively $865M through FY 2046
- Proposed $1.75M in current tax increment funds through 6/30/20 and $1.3M annual cap on pledged tax increment from RDA No. 2 through 2046
  - Cumulatively $34.25M through FY 2046
- **Benefit to the Douglas County community outweighs the costs by approximately 25x**



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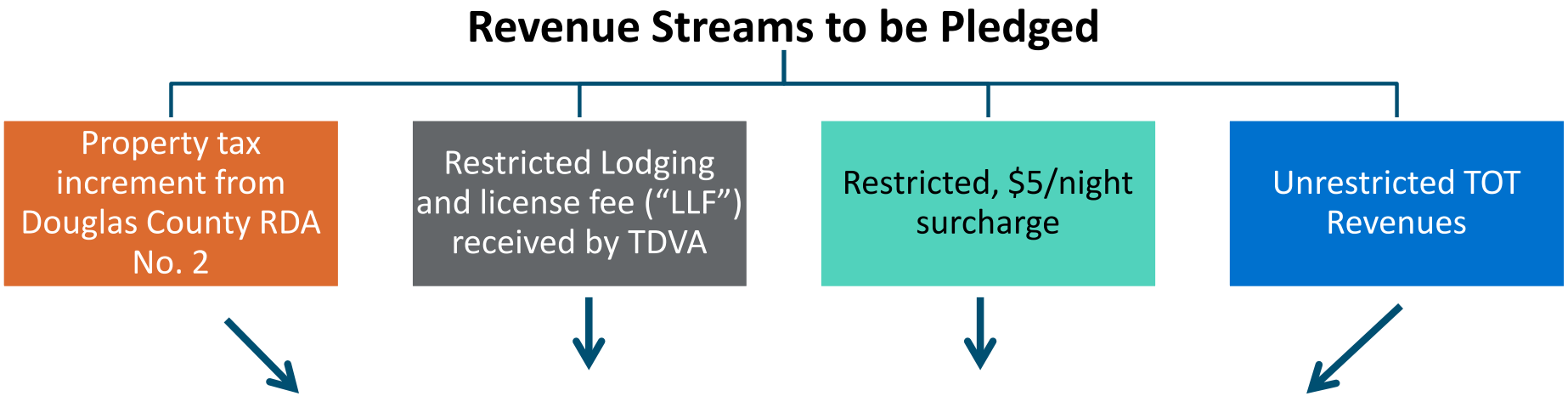
Public Private Resources to Support Event Center Bonds

- Four pledged revenue streams, **representing a partnership of local stakeholders**
  - 3 will be restricted for bond debt service and events center operations
  - TOT is not statutorily restricted and can be used for operations after debt service payments are made
- Hotel tax-related revenues are a volatile funding source and a **combination of tax increment and hotel tax related revenues enhance the marketability of the bonds**

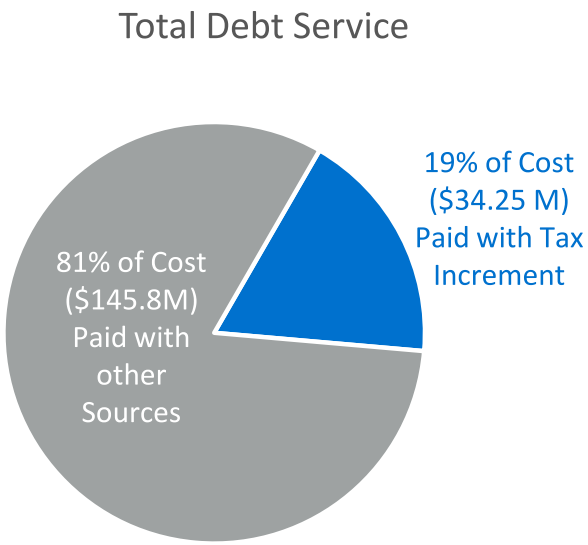


These revenue streams will be pledged to repayment on an approximate $100 million TDVA bond issuance used to finance Events Center construction

Tahoe Douglas Visitors Authority

Basic Elements of the Proposed Agreement

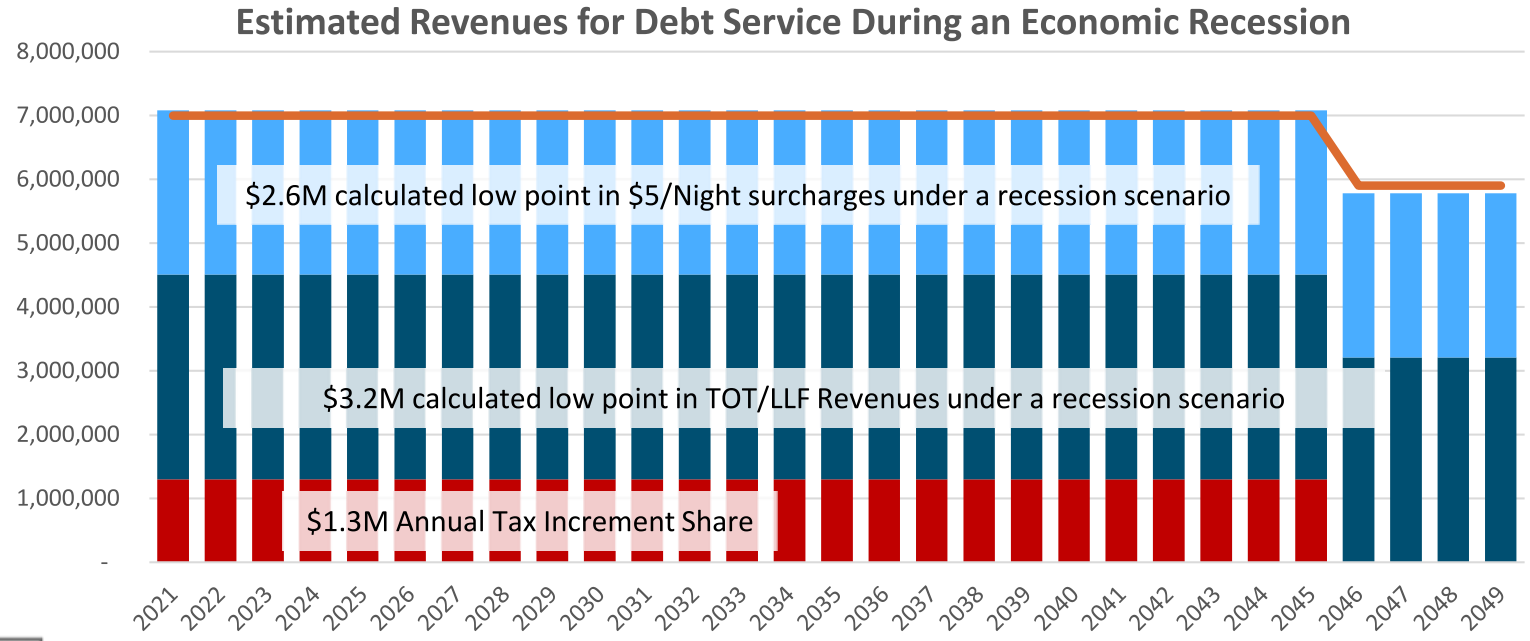
- Original proposal
  - $45 million upfront contribution from Douglas County's tax increment toward actual events center costs
    - Equivalent to approximately $2.9 million in annual debt service contributions from Douglas County's tax increment
- Revised proposal
  - All tax increment *net of school district share* up to $1.75M in current tax increment funds in FY 2020 and up to $1.3 million pledged annually pledged to TDVA through 2046.
    - Maximum of $34.25 million in debt service contributions from Douglas County's tax increment
    - Transfer of current tax increment fund balance on hand to help pay construction costs
- Pledge is through final year of Project Area #2
- Annual tax increment remaining after TDVA transfer available for other RDA No. 2 priorities



Tahoe Douglas Visitors Authority

Why the Tax Increment Pledge Is Needed

- Lodging-related revenues are historically volatile; a property tax pledge mitigates some volatility
- Insufficient revenue to support the bond issuance without tax increment
- A successful Event Center will generate *more* tax increment, supporting additional investments by County
- Affirms County commitment to public-private partnership
  - TDVA has demonstrated strong commitment to the Event Center project and plan of finance, providing a *senior* pledge of its major revenues ahead of its own operations



$7.0M Estimated Annual Debt Service through FY 2045

Tahoe Douglas Visitors Authority

Events Center Meets the Findings Required by NRS 279.486 Subsection (3)

Language from NRS 279.486(3): Before the legislative body may give its consent to an action proposed by the agency pursuant to subsection 1, it must determine that:

NRS 279.486(3) Statute		Events Center Financing Plan Compliance?
(a) The buildings, facilities, structures or other improvements are of benefit to the redevelopment area or the immediate neighborhood in which the redevelopment area is located; and	✓	The Events Center is expected to create significant jobs and revenue. This is money that will be going back into the local economy and will encourage new investment within the RDA No. 2 and the Tahoe Township
(b) No other reasonable means of financing those buildings, facilities, structures or other improvements are available	✓	Despite significant private investment in the area in the last few years and support from the Tahoe South hospitality industry, TDVA's proposed financing plan (utilizing TDVA TOT & LLF room revenues, SB 461 $5/night surcharge revenues, and RDA No. 2 Tax Increment pledge of up to $1.3M) presents the only reasonable means of financing the Events Center at this time

Events Center Meets the Findings Required by NRS 279.486 Subsection (4)

Language from NRS 279.486(4): In reaching its determination that the buildings, facilities, structures or other improvements are of benefit to the redevelopment area or the immediate neighborhood in which the redevelopment area is located, the legislative body shall consider:

NRS 279.486(4) Statute		Events Center Financing Plan Compliance?
(a)(1) Encourage the creation of new business or other appropriate development;	✓	The Events Center is expected to create significant jobs and revenue. This is money that will be going back into the local economy and will encourage new investment within the Tahoe Township.
(a)(2) Create jobs or other business opportunities for nearby residents;	✓	Expected to create approximately 800 temporary construction jobs and between 380-470 new local jobs after commencement of operations
(a)(3) Increase local revenues from desirable sources;	✓	Expected to generate $7-9 million per year in hotel revenues for the tourist core and approximately $1M annual benefit to Douglas County
(a)(4) Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located;	✓	Projected increase of between 57,300-71,100 occupied room nights per year in the Tahoe Township
(a)(5) Possess attributes that are unique, either as to type of use or level of quality and design;	✓	Flexible space for concerts, performing arts, sporting events, industry trade shows, corporate events and retreats, and conventions. High quality construction and architecture will increase scenic value of core.
(a)(6) Require for their construction, installation or operation the use of qualified and trained labor; and	✓	CORE Construction has been engaged as the Construction Manager At Risk (“CMAR”) for the project.
(a)(7) Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements not paid for by the agency.	✓	The social and financial benefits of the Events Center to the community and the County are significant. No similar building, facility, structure or improvement is feasible.
(b) The opinions of persons who reside in the redevelopment area or the immediate neighborhood in which the redevelopment area is located.	✓	Dozens of local residents and business owners have spoken in favor of this project at public meetings. There is almost universal support for this project in the Township.
(c) Comparisons between the level of spending proposed by the agency and projections, made on a pro forma basis by the agency, of future revenues attributable to the buildings, facilities, structures or other improvements.	✓	Projected cost: $34.25M cumulatively through 2046 Combined benefit: $865M cumulatively through 2046 Benefit to the Douglas County community outweighs the costs by approximately 25x

Why the Tax Increment Pledge Matters to Both the Carson Valley Community and the State of Nevada

- This pledge is integral to both the County and the Lake business community's vision of a public private partnership to restore the economic vitality of the South Shore
- Long-term economic vitality of the South Shore is a matter of statewide concern: the Nevada legislature passed an authorization for TDVA to levy a $5/night surcharge with **overwhelming statewide support and support of key local stakeholders**
  - Tax Increment pledge hedges the volatility of TDVA's revenues in the event of a prolonged recession of the magnitude of the Great Recession

Tahoe Douglas Visitors Authority

Tentative Schedule for Events Center

- March 2020 - Financing Agreement approved by County Board and TDVA
- March 2020 - TRPA approval of Events Center
- April 2020 - Firm price construction contract for Event Center executed
- April/May 2020 – Bonds sold and funds available
- May 2020 - Event Center construction begins
- Spring 2022 - Event Center opens

Tahoe Douglas Visitors Authority

Supporting Material
Board: Lake BOCC
Meeting Date: 2/27/2020
Item: Closing PC

Winston Churchill Quotations

A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.

Courage is what it takes to stand up and speak, it's also what it takes to sit down and listen.

I never worry about action, but only about inaction.

Let our advance worrying become advance thinking and planning.

You will never reach your destination if you stop and throw stones at every dog that barks.

The price of greatness is responsibility.

Every man should ask himself each day whether he is not too readily accepting negative solutions.

For myself I am an optimist - it does not seem to be much use to be anything else.

If we open a quarrel between the past and the present we shall find that we have lost the future.

Fear is a reaction. Courage is a decision.