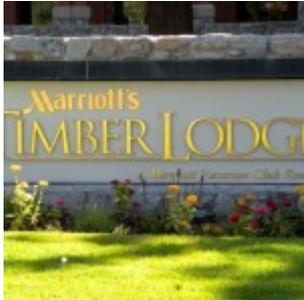


Marriott cuts Tahoe sales staff



Marriott, which has two properties in the Heavenly Village, laid off most of its sales staff and terminated an agreement with the city that will put a \$55,000 red line in South Lake Tahoe's next budget.

Jan Vandermade, the local Marriott general manager, deferred comment to corporate offices in Florida. Those folks didn't return phone calls.

An employee of the Marriott Grand Residence Club confirmed the sales department has been closed, but added that a couple sales associates are still on-site.

The Grand Residence and Timber Lodge are both time-share operations with ownership available in different increments.

About four years ago Marriott and South Lake Tahoe signed a deal where the lodging facility could operate an informational cart near the fountain in the village. The city owns all of the open space and can charge money for anyone using the area. At one time Marriott had two booths.

Vandermade sent the city a letter saying it would not be renewing the lease after it expired in August. Marriott had already stopped providing sales material and other information about Heavenly Village via the cart.

The city used the \$55,000 to help pay the annual Park Avenue Development Maintenance Association fee that runs about \$120,000/year. Redevelopment agencies per state law cannot use their revenue sources to pay ongoing fees like that. This is why the \$55,000 will likely come out of an already shrinking

general fund when the 2009-10 budget is approved in the next few days.