

South Tahoe prevails in court to get taxes from The Block



Eneliko Smith, one of the partners in opening the The Block hotel in South Lake Tahoe, pleaded no contest to one count of felony theft in El Dorado County Superior Court for not paying the hotel tax to the city.

The investigation began in March 2008 when the police department received multiple disturbance calls related to the snowboarder oriented hotel near Stateline and reports from the city Finance Department that The Block was not paying TOT as required. Officer Mark Hounsell led the investigation and coordinated with various city departments and the District Attorney's Office.

By December 2008 The Block and Cedar Lodge were closed.

Smith had opened the hotels a few years earlier with professional snowboarder Marco Frank Montoya. The Block in its brief heyday was featured in a reality television show on the G4 network.

Part of Smith's plea agreement is he will be on felony probation for three years and must make full restitution to the city. After the first year of probation if he abides by the terms and makes full restitution to the city, the charge may be reduced to a misdemeanor theft, according to documents signed Friday.

A restitution hearing is scheduled for June 8 to determine the amount to be paid to South Lake Tahoe. The total amount being requested by the city including embezzled TOT taxes, late fees and interest is estimated to be about \$200,000.

Despite his troubled past with The Block and Cedar Lodge, both

of which are in decay, Smith wants to be a player in other resort towns. [Click here](#) for that story.