

County threatens to sue South Tahoe over redevelopment

By Kathryn Reed

Redevelopment is going to happen – unless El Dorado County sues to stop South Lake Tahoe from going forward.

Judi Harkins was tasked with being the messenger for the county at Tuesday's council meeting. She read a letter into the record from the Board of Supervisors stating that entity's adamant belief the city should not go forward with its plans, and calling into question the city's blight findings.

This was the second reading of the ordinance. It's now official.

The council voted 3-1 to create the 3,100-acre redevelopment area that spans about 20 percent of the city from the airport, to the Y, to past Harrison Avenue.

Councilman Bill Crawford, a longtime vocal opponent of redevelopment, reminded the council, staff and nearly full house that although this is being touted as a funding mechanism, the Heavenly Village project resulted in the general fund being raided of \$7.2 million to cover costs. This in turn took money away from roads and other common uses for that pot of money.

Councilman Hal Cole recused himself because of owning property in the area. He is working on a deal to change that status.

Until a lawsuit is filed, the redevelopment plan goes forward. No specific project is part of the plan. Eminent domain is not an option.

What it's designed to do is create tax increment based on property tax values – with the county, South Tahoe Public

Utility District and others having their share cut, thus the reason for the disharmony – and creating a pool of cash that property owners could use, per city approval, for improvements.

It's similar to what the Ski Run Business Improvement District is doing as it taps into redevelopment dollars from that area.