

# Judge gives 'convention center' creditors 1 more month

By Kathryn Reed

How much is the more than 11-acre site on the east end of South Lake Tahoe worth with its rebar and concrete?

That is one issue still to be decided in the ongoing saga known as the failed convention center project. Lake Tahoe Development Company, the Zephyr Cove company that was supposed to build two hotels and convention center on the Stateline area property, owes El Dorado County \$2.45 million in property taxes.



The end of bankruptcy court for the would-be convention center site appears to be nearing.

Photo/LTN

Randy Lane, principal for the company that has been languishing in bankruptcy court since October 2009, is challenging the amount owed.

"We are appealing the assessment," Lane told *Lake Tahoe News*. "We are saying the assessed value of the property far exceeds the actual property value."

A hearing on that is slated for March.

One of the bugaboos about the bankruptcy is the parcels were never consolidated into one map. Lane still owns nine of the 29 parcels.

Owens Financial, which stands to lose the most at \$25 million, if the slate were wiped clean, agreed this week to pay about \$400,000 of the back property taxes that are due.

Also at this week's session before the bankruptcy judge in Sacramento, a Feb. 29 date was set for an evidentiary hearing. All parties will have a chance to present evidence for a plan of action and bring any witnesses they want.

The judge could make a decision that day or shortly thereafter.

Lane wants more time to find someone to develop the site. Others want out.

Once the project is no longer tied up in bankruptcy court, the clock starts ticking on the permit issued by the Tahoe Regional Planning Agency. Those permits have value, though no true dollar amount. If they expire, it would mean whoever takes over the rights to the land would have to start from scratch with permitting. That does mean time and money.

But it also would give someone the opportunity to start from scratch and not work within the parameters of what has been approved.