

# S. Tahoe convention center project out of bankruptcy

By Kathryn Reed

The hole – as the 11-plus acre site on the state line in South Lake Tahoe is known – is out of bankruptcy.

After a 4½-hour hearing Wednesday in Sacramento, the judge dismissed the case.

“We are definitely in a better place because we don’t have to get approval from the bankruptcy court (about a project). We hope in the next month or two we would get together (with the property owners) and see where we go,” City Attorney Patrick Enright told *Lake Tahoe News*.



The convention center property is out of bankruptcy as of Feb. 29.  
Photo/LTN file

Randy Lane, the principal of Lake Tahoe Development Company of Zephyr Cove, was not available for comment Feb. 29.

It is his company that in October 2009 filed for bankruptcy. But it was the City Council two years before that allowed him

to break ground without having a final parcel map filed or secured financing in place.

No final map means there are 29 parcels to deal with – most of which are covered with rebar and concrete.

Now four entities own the 29 parcels. Sixteen have been foreclosed on, four are in the process and the remaining nine are owned by Lake Tahoe Development Company, with Owens Financial having the first deed of trust on those nine. This means Owens could foreclose on the properties at any time.

It is now up to the four property owners to figure out what to do with the land. It's possible one could buy out the others or all could sell to another entity.

While many have said the convention center, two boutique hotels, retail and open space planned for the property across from Heavenly Village on the Harveys side of Highway 50 should be scrapped, that is the project that was approved. Permits would allow for alterations, but not a change to the footprint. It was supposed to be the largest project in the city limits at more than \$400 million.

TRPA said the permit expires in nine months. If the next developer has to start from scratch with permitting, it will cost time and dollars.