

# Opinion: S. Tahoe won't survive without community's support

By Claire Fortier

One of the critical issues continuously expressed by our citizens has been the condition of our town. "Rundown", "second rate" and "blighted" are words often used in the same sentence as city of South Lake Tahoe. We love where we live, but we hate how we keep it.

That message was loud and clear in the city's 2011 Citizen Survey we recently received. More than 70 percent of respondents said the appearance of our town was poor. More than 80 percent considered our roads the same way, poor or worse.



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City Council has pledged to change this problem. On March 6, 2012, the City Council discussed a bond issuance that would allow us to start rebuilding our roads and cleaning up our town. The problem is how to pay for it.

A year ago, when City Council first considered a bond for capital improvement projects, specifically roads, the city's financial situation was bleak, but not dire. In that year, the city made some drastic and painful changes to live within its

means. We reduced city staff, renegotiated employee benefits and took the city down to bare bones. We did so to ensure that the city was economically sustainable, not just this year but for years to come.

In the meantime, our sources of income in the last year took just as big of a beating as the businesses and residents of this town. That's because our key sources of revenue are directly linked to the success of our town and its citizens. We collect more transient occupancy tax when the town is hopping. We gain more real estate taxes when houses are selling. And we collect more sales tax when people spend their money on the hill.

But now we are at a crossroads. The city has made about all the cuts it can without completely destroying service to its citizens. We cannot afford to borrow money to redo our roads or improve our recreational opportunities without the buy-in from the community.

In order to pay for the reinvestment bonds, the city proposed four sources of revenue:

- Paid parking around our beaches.
- An increase in TOT on our hotels starting in 2014.
- A more equitable business tax.
- An amusement tax on recreational activities and rentals.

The income from those sources, while not enormous, would allow the city to pay for the bond that will generate \$5 million a year toward our roads and infrastructure.

Community reaction on several of these topics has been divisive. The parking issue was met with a huge outcry. After a dismal winter, increasing the TOT on our financially strapped hotels simply doesn't make sense. We are still hoping to achieve a more equitable business tax, which will be

decided by voters in June.

But the bottom line is this. We cannot reinvest in the community without your help. In the end, it comes down to what does this town really want and what are we willing to pay for to get what we want.

*Claire Fortier is mayor of South Lake Tahoe.*