

Funding for road improvements requires S. Tahoe to take loan

By Kathryn Reed

A series of decisions by South Lake Tahoe's City Council on Tuesday is designed to begin improving the look of the area as well as the functionality.

The city will borrow close to \$6 million to fund \$5 million in improvements. The other million bucks is for debt service and the cost of issuance of the certificate of participation.

It's anticipated the interest rate will be less than 5 percent. The bonds are expected to be sold in early July, with the city having its cash by July 20. The city is able to use its roads as collateral for bondholders. In other words, if the city defaults, somehow the bondholders will own the city's streets.



South Lake Tahoe streets will be torn up and put together like new this summer.

Photo/LTN file

The bulk of the money will be to fix 12.5 miles of city streets – 8.5 miles called collectors, the remainder residential.

The remaining money will be used to improve Harrison Avenue – assuming property owners agree to a plan. If they don't get on the same page this summer, the city is contemplating how to spend that \$1.5 million – buying fire trucks, sprucing up the recreation center are some ideas.

The remaining quarter million being borrowed will be used to revamp Linear Park.

Harrison Ave. and Linear Park are slated for improvements to be made next building season while planning and design are wrapped up in 2012.

Alice Jones, CFO with Tahoe Keys Property Owners Association, pointed out how it would be nice if the city conferred with her group when work will be done on streets in their neighborhood. This is so projects can be coordinated.

The Keys board on Saturday approved replacing the water line on Venice Drive to coincide with the city repairing the street so the asphalt is dug up once.

In other council news:

- The council approved a 10-year agreement with Tahoe Sports and Entertainment to operate the ice rink. An automatic additional 10 years would be added if the concessionaire puts in \$500,000 worth of improvements – which it plans to do in the next few years. That means TSE will eventually have close to the 20-year agreement it sought earlier this year but was denied.
- Letters to Tahoe Regional Planning Agency regarding the Regional Plan update were approved.
- A rest room with state money will be built at El Dorado

Beach. Even though there is one at Lakeview Commons, this one is expected to be open year-round and help handle the crowds. It could be done by October. It will also include an office for the aquatic invasive species program people. (El Dorado Beach boat launch will open this summer, but it's not certain if it will before July 4. Launching fee is \$13, with the city getting one-quarter of that and the concessionaire the rest.)