

SLT rejiggers debt; spending on infrastructure

By Kathryn Reed

Money was the dominant theme during this week's South Lake Tahoe City Council meeting – mostly how to cut expenses.

With the reduction of some long-term debt, the city will then have money to invest in infrastructure.

And an added source of revenue is changing the pricing at the city owned parking garage at Heavenly Village.

City Manager Nancy Kerry and staff have been scrutinizing the budget to come up with significant cost savings in relation to some of the unfunded liability that is on the books.

Staff estimates saving \$264,000 a year by paying off the CalPERS side fund with pension obligation bonds. This will add up to a savings of \$3.3 million once the bill is all paid.

This side fund is a portion of public safety's unfunded CalPERS liability. As of Sept. 30, 2013, that figure was more than \$11.6 million. Issuing bonds would pay off that debt, while incurring a smaller overall debt because of lower interest rates.

The council unanimously agreed to do this.

The same five then acted as board members to the Successor Agency, which handles things regarding properties that the defunct-Redevelopment Agency oversaw.

Some of the bonds pertaining to Lake Tahoe Resort Hotel (former Embassy Suites), Ski Run Village and Heavenly Village will be refinanced. A lower interest rate will reduce the payments on the more than \$135 million of debt.

When it comes to the parking garage, the \$3.75 per hour rate is not changing, but there may be more opportunities for validation from various businesses.

Before the meeting it cost businesses \$1.50 to buy an hour's worth of validation from the city. That has been cut to \$1. The consumer is likely to receive a free hour from participating businesses. The cinema, though, retains its sweetheart deal of paying 35 cents per validation. However, the number of free hours for the public went from four to three.

The goal is with more businesses opting into the program, patrons might find more incentive to stay in the village longer and ultimately spend more money. Signs saying which businesses validate will likely be erected in the garage. It is up to each business to decide if a purchase is necessary to get a validation stamp.

Annual passes will resume. They will be \$600. Monthly passes are \$125, while it costs \$400 for a ski season pass.

Staff is looking at renting the top part of the garage for special events. This already happens on New Year's Eve. It's also possible there will be advertising for local shops on the back of parking tickets.

By the end of the fiscal year – Sept. 30 – projections are for a surplus of \$500,000 in the general fund. That money is going into infrastructure. The plan is to improve recreation facilities, which ideally will have locals and tourists taking out more cash to play in South Lake Tahoe. That additional revenue would then pay for things like more streets being upgraded.

Money is being set aside to build a bike park at Bijou Community Park, for planning Regan Beach improvements, planning for upgrades to the Recreation Center and planning for completion of the 56-acre site – which is across Highway

50 from Lakeview Commons.

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In other action:

- The council on a 3-2 vote upheld its decision to delay further implementation of the plastic bag ban to October 2015. Brooke Laine and Angela Swanson were in the minority.
- Ben Fish with TAMBA, the mountain bike group, said plans for the bike park at Bijou Community Park were resubmitted to staff last week.