

Undeveloped Chateau property in SLT sold

By Kathryn Reed

The remaining rebar and concrete at the Chateau site near the state line in South Lake Tahoe is going to be developed by a new owner in the near future.

Owens Financial out of Walnut Creek is selling about 8 acres of the undeveloped site, plus the parking structure to Kawana Holdings for \$42.5 million. Kawana is a Malaysia-based firm with offices in Corte Madera.

“Their plan was for immediate development of the property rather than hold it or try to do something else,” Bill Owens told *Lake Tahoe News*. That is why his company chose to go with Kawana. “Their intention is to build what has been approved.”

No one from Kawana could immediately be reached.

It is possible for Kawana to ask for revisions to the approved permit, but substantial changes would likely trigger environmental documents to be recirculated. That would cost hundreds of thousands of dollars and delay the project for years.

While a convention center, two hotels, retail and spa were planned for the 11-plus acre site, no one expects a convention center to see the light of day. When the now defunct Lake Tahoe Development Company first broke ground it was going to be a \$410 million project, with the city having control of the convention center.

Now the city has zero involvement at the site other than permitting.

The sale is expected to go through no later than the end of

March. This is contingent upon a tentative map being approved by South Lake Tahoe.

City officials have been in on some of the talks with Kawana, letting them know what is approved for the site, what could occur and the intricacies of commodities – the development rights policy the Tahoe Regional Planning Agency created that has backfired to make it even more difficult to get anything built in the basin.

For now, Owens Financial plans to remain the owner of the developed retail and the Zalanta condominiums that are under construction.

“We have a list of people who want to buy these units. We expect to get a number of contracts signed in the next month,” Owens said.

They should be finished in early 2017.