

# Power struggle between Placer County, NLTRA

By Kathryn Reed

TAHOE CITY – Placer County is making substantive changes to the contract it has with the North Lake Tahoe Resort Association. Something is broken, but county officials aren't saying exactly what is wrong.

**Change** – Placer County plans to rescind NLTRA's power when it comes to capital improvement projects and transportation. NLTRA wants to keep negotiating. The county says the changes will save \$300,000 a year; money that can be spent in the Tahoe region. NLTRA disagrees about that dollar figure. The county wants to create a 15-member committee, which the NLTRA and chamber would be part, to make recommendations for how to spend the money going forward. The plan would be for member groups to appoint people, not the county.

**Control** – Placer County and the North Lake Tahoe Resort Association want it. The county believes it can give a bigger voice to county residents. NLTRA believes more control in Auburn, the county seat, can never be a good thing for those in the eastern part of the county. The county believes with the increased role it has had with transportation and the goal of creating a more regional system, that it is better for it to be in the driver's seat. NLTRA believes it is more innovative and thinks outside of government constraints.

**Access to the public** – Placer County wants more. NLTRA wants to be that conduit. The county doesn't want a middleman. The NLTRA board is elected by NLTRA/North Lake Tahoe Chamber of Commerce members. Members do not need to live in the county. NLTRA believes it has the ear of the business community, and says it listens to non-members. The county wants to hear from

more than businesses, as well as non-member businesses.

“We want to communicate directly with the community, not just a microcosm,” said Jennifer Merchant, deputy CEO for Placer County.

“I believe the resort association is better equipped to engage the community in these projects,” said Adam Wilson, NLTRA board president.

**History** – The relationship has been in place for about 20 years, and started when the county had about zero presence at the lake. In that time all but one project the NLTRA recommended to the Board of Supervisors has been approved. Each year the two entities renew the contract to carry out work in the Tourism Master Plan. The county tells NLTRA what its budget is based on revenues it has collected. The money comes from hotel taxes. Elsewhere in the unincorporated areas of Placer County the transient occupancy tax rate is 8 percent. In 1996 it was increased to 10 percent for the North Lake Tahoe area. That extra 2 percent is to be spent on tourist services in the Tahoe area. In that time about \$37 million in TOT money has been spent in Tahoe on nearly 100 projects, with about another \$265 million able to be leveraged.

Many people are suspicious of the county, especially when the electeds have been backing projects like Squaw Valley, Fanny Bridge-Highway 89 realignment and Martis Valley West that were opposed by hundreds of local residents. At the same time, the county – elected and staff – is there to make the tough decisions, ideally without personal, political or financial gain, and putting emotions aside. In theory they make decisions for the greater good.

It was the North Lake Tahoe Chamber of Commerce that called for the meeting last week for both sides to air facts and opinions, and for the public to ask questions and make

comments. About 50 people filled the room at Granlibakken.

One question was: Does the county feel there have been problems with how the things have been run?

“In some cases, yes,” Merchant said. She added, “I don’t want to be in a position to bash the organization.”

Some in the audience are worried about transparency or the lack of it, especially if the county has more control. NLTRA questions why it wasn’t given any warning, especially since it has been in an 18-month process studying how to be more efficient and looking at ways to make improvements. County reps were part of this process since they have a seat on the board. The resort association didn’t know the changes were coming until it received the 2017-18 contract on March 31.

A contract needs to be finalized by June 1 so it can be on the June 13 Board of Supervisors agenda.

To give a broader voice to constituents, the county has scheduled meetings about the changes:

- May 8, 5-8pm, North Tahoe Event Center, Kings Beach
- May 11, 4-6pm, Placer County Administrative Center, Tahoe City
- May 12, 8am-noon, Squaw Valley Public Service District, Olympic Valley.