

Opinion: North Tahoe Event Center giveaway

By Ann Nichols

For the past 14 months the North Tahoe Public Utility District executive staff and board have been negotiating with the developer Laulima on a long-term lease of the North Tahoe Event Center in Kings Beach.

Laulima originally asked for a 99-year term; really a sale. Although the NTPUD claims it has had many public meetings on the issue, the terms of the deal have been kept secret from the public with the justification that it would impede negotiations. The result has been behind-closed-doors meetings held in a vacuum with zero transparency and zero public input.

Area residents served by the NTPUD are the actual owners of this important free and clear lakefront venue. As a 45-year real estate broker, I estimate its value at approximately \$4 million. The event center is the resident and non-resident affordable "go to" for weddings, Quinceanera celebrations, yoga, funerals, group/business meetings and public meetings to name just a few.

The NTPUD within its recreation and parks department manages the property. The recreation and parks department includes the North Tahoe Regional Park, the Tahoe Vista Recreation Area Boat Launch and the event center. The entire NTPUD Recreation and Parks Department spends approximately \$1.8 million per year with little revenue except for around \$600K in tax money paid by residents.

The event center, which in the past has generated as much as \$970K, now is at approximately \$400K per year. As the only venue that generates significant money an event center, \$90K

yearly loss is minimal in relation to the larger Parks and Recreation budget. The Tahoe Vista boat launch alone lost \$75K last year. Community centers rarely make money.

Unbelievably, the event center has no marquee alerting the public to events and until just now no staffing on weekends. The NTPUD is not the best event operator, but does that mean we need to give it away to a developer and lose control. Couldn't the NTPUD allow an established local event operator such as Granlibakken to step in. Granlibakken and the Biltmore Casino made a proposal to the NTPUD, but they didn't make the outlandish promises Laulima did.

Laulima's PowerPoint promised a rebuild and a \$7M infusion. Somehow this investment would be justified by an expensive wedding operation. Laulima did purchase the Ferrari/Crown motel property for approximately \$12.5 million. They propose condos on the lake and a hotel across the street. Vetting Laulima revealed a series of evaporated projects, including an equestrian project in Cloverdale and the Monterey Downs racetrack/residential project.

In defense of the NTPUD, how could you turn down millions, especially when Laulima promised to retain the same or better public access? Well, it's easy, actually: once you go down the road of losing control to a third party, it's over. NTPUD must say no thanks. The public deserves to retain the event center. The Kings Beach redevelopment mess is over and business is booming. Look at last winter's crush of visitors and occupancy rates. NTPUD: hire a competent operator and be transparent about the real financial narrative.

Ann Nichols is with the North Tahoe Preservation Alliance.