

Tahoe City Lodge's TAU issue a done deal

Some call it prudent economic strategy, others call it a gift of public funds.

On Jan. 9 the Placer County Board of Supervisors unanimously voted to approve the execution of a loan agreement with Kila Tahoe LLC to convey 60 tourist accommodation units for the Tahoe City Lodge.

The TAU transfer agreement structures the transfer as a forgivable loan, with a 15-year repayment term with an interest rate of 1.59 percent. The \$879,000 loan value includes the cost of the TAUs as well as reimbursement of county staff time spent processing the project's permit application. It will be paid down by transient occupancy taxes generated by the project.

The Tahoe City Lodge is expected to generate nearly \$1.2 million a year in tax revenue.

Not everyone believes this is the right project at the right location, nor do they believe the county should be so generous with its resources to a private developer. Public meetings throughout the process have had naysayers.

The hotel will be a 118-unit lodge, with three buildings consisting of a mix of hotel units; one-, two- and three-bedroom condo hotel suites; hotel amenities; a restaurant and rooftop bar; and parking.

Placer's transfer of 60 TAUs, along with 58 TAUs secured separately by Kila, complete the total 118 TAUs needed for the project.

– Lake Tahoe News staff report