

EDC-SLT not rushing to solve 56-acre conflict



Twenty El Dorado County families bought this area in the 1920s for \$7,500 from D.L. Bliss. Ever since they leased it to South Lake Tahoe the two government bodies have been squabbling. Photo/Kathryn Reed

By Kathryn Reed

It will be 12 years ago this fall that four design teams vied for the opportunity to develop what is known as the 56-acre parcel in South Lake Tahoe. The future of much of that land is still undetermined because the city and county are not on the same page.

The county owns about 41 of those acres, which is home to El Dorado Beach (Lakeview Commons), Campground by the Lake, Tahoe

Art League, South Lake Tahoe Senior Center, Lake Tahoe Museum, and Lake Tahoe Visitors Center.

The city owns about 15 acres in the area, which is where the rec center, ice rink and heavy equipment yard are located.

A lease was entered in 1968 giving the city the right to use about 38.8 acres in this central location of South Lake Tahoe. The county retained 1 acre for the library.

A revision to the lease was made in 1972. That agreement expires on June 30, 2023. It in part says the purpose is to “provide recreational, social, and cultural facilities on the property located in such a manner as to enhance the natural beauty of the property.”

Through the years changes have been made and documents added to the file, especially as Lakeview Commons was developed. That was a \$6.5 million investment by the California Tahoe Conservancy.



Here are some of the provisions in the lease:

- The city is responsible for all financing, maintenance, and development of all facilities to be constructed or placed on the property. □
- The city is responsible to

maintain the entire leased area at no cost to the county. □

- The responsibility and authority for the management and control of the leased premises and all the structures thereon is vested solely in the City, provided there is no breach of the lease. □

- If the city fails or refuses to carry out the lease provisions, the city shall nevertheless remain obligated to pay for maintenance of facilities and improvements while the lease is in effect. □

- Either the city or the county may terminate the lease if the other party fails to remedy a default of the lease terms and conditions within 90 days of receiving written notice of the default. □

- If the city brings legal action to obtain title to the leased property, the county may terminate the lease. □

- Upon termination of the lease for any reason including at the end of the 55-year term, the ownership of all improvements constructed or placed on the property vest in the county. □

- The city assumes all risk of personal injury and property damage in connection with city occupation of the lease property, and indemnifies the county against related claims and liabilities. □

- The city agrees to pay for all

utilities and services provided to the leased premises.

- The city agrees to provide free water service from the well located on the lease premises to the mosquito abatement facilities. □

- The city shall not assign lease or sublease without county's approval. □

- The prevailing party in any legal action shall receive reasonable attorney's fee.

A study commissioned and paid for by South Lake Tahoe and El Dorado County was prepared by Foothill Associates. While portions have done since late last year, it is not expected to be before the City Council until May 1.

Acting City Manager Jeff Meston only recently obtained copies of the report. "I believe that staff will take direction from City Council, and then do what they wish. It is pretty clear to us this is a council decision/direction issue."

El Dorado County CAO Don Ashton told *Lake Tahoe News*, "At this time there are no plans for a formal discussion with the Board of Supervisors since the city is responsible for the management and maintenance of the property for at least the next five years, and longer for Lakeview Commons."

Lake Tahoe News also asked Ashton: *Does county staff agree with the preferred recommendation of the city operating the facilities with a long term lease from the county? Why or why not? Would the county consider selling the property to the city? Why or why not? At what price? Would the county consider being a partner in developing the land in ways that were proposed in the charrette that was done a decade or so ago? If the city were to want to develop the site in some manner, what would the city (other than presumably footing the bill) need*

to do? In other words, what "permission" would the county need to give for future development? Where will vector control be relocated and when? Does the county expect to contribute to any of the maintenance needs prior to entering another lease with the city – assuming one is agreed to? What will the county do if the city says it doesn't want anything to do with the 56 acres or even select areas? What if the city only wants responsibility for part of the area – say the campground and Lakeview Commons?

Ashton's response was: "(Those) questions are speculative and hypothetical in nature so I'm unable to answer."

Ultimately it will be up to the elected bodies on how to go forward.

South Lake Tahoe Mayor Wendy David told *LTN*, "I have not digested and read in detail enough yet to comment on the recommendations."

El Dorado County Supervisor Sue Novasel was on the community committee back in 2006. She did not respond to *Lake Tahoe News'* inquiry asking what she thought of the study and its recommendations.

The city doesn't want to invest in the property if it won't have control over it for a long period of time, and the county doesn't want to part with what is prime real estate. The city as the renter believes the county as landlord ought to be paying more of the upkeep.

Until the two government bodies find a resolution the approach is more like putting a Band-Aid on problems instead of a whole knee replacement. That scenario isn't working well, especially at someplace like Campground by the Lake that needs to have the restrooms/showers replaced at an estimated cost of \$600,000.

"As indicated in the report the county needs to maintain

ownership of the acreage in order to be compliant with our General Plan requirements," Ashton said.

Of course general plans can be changed if elected have the will to do so.

The consultants recommend the city continue as the lessee and managing the facilities as one unit so the income could be moved around as needed. Changes to the subleases are also suggested to include regular and deferred maintenance agreements, utilities, annual repairs, and a five-year budget.

The report states, "... the success of this approach will require a commitment on the part of all parties to provide oversight, expense and revenue tracking, and record keeping in accordance with their respective roles. Annual updates to the operating budget and CIP should be made, and periodic facility assessments conducted to ensure preventive maintenance is being done and to identify upcoming major maintenance projects."