

COUNTY OF EL DORADO

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July 8, 2010

Via U.S. Mail

Honorable Mayor Kathay Lovell
City of South Lake Tahoe
Administrative Center
1901 Airport Road
South Lake Tahoe, CA 96150

Re: *South Lake Tahoe Redevelopment Project Area No. 2*

Dear Mayor Lovell:

I am writing to you on behalf of myself and the El Dorado County Board of Supervisors. We remain concerned that the City of South Lake Tahoe has proceeded with the adoption of its Redevelopment Plan, and has not had meaningful discussions with the County regarding its objections.

In a recent appellate court decision, *County of Los Angeles v. Glendora Redevelopment Project*, the Court of Appeal found that the City of Glendora's blight findings in support of its adopted Redevelopment Plan were not supported by substantial evidence in the administrative record. (*County of Los Angeles v. Glendora Redevelopment Project*, 2010 WL 2367468 (Cal.App. 6 Dist.) (hereinafter *Glendora*).

As demonstrated below, the County's objections to the Redevelopment Plan for Project Area No. 2 are very similar to the issues raised by the County of Los Angeles in its challenge to the Glendora Redevelopment Project:

- The City of Glendora, like the City of South Lake Tahoe relied on building age as the basis for finding that buildings were unsafe due to seismic safety hazards and hazardous materials such as asbestos and lead paint. (See pages 18 and 19 of the County's April 6, 2010, letter, objecting to similar findings.)
- Both cities also relied on peeling paint, dry rot, and lack of maintenance as evidence that buildings were unsafe or unhealthy. (See pages 19 and 20 of the County's April 6, 2010, letter, objecting to similar findings.)

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- Furthermore, Glendora and the City of South Lake Tahoe also relied on infrastructure concerns, including sewer capacity, drainage, and fire flow, as evidence of physical blighting conditions resulting in unsafe or unhealthy buildings. (See page 16 of the County's April 6, 2010, letter, objecting to similar findings.)
- The court held that the evidence in the record did not indicate whether the buildings were actually unsafe or unhealthy for human purposes, and that Glendora could not rely on bare conclusions that these conditions rendered properties unsafe. We believe that the City of South Lake Tahoe's findings are likewise suspect.
- Furthermore, the court held that Glendora's findings regarding infrastructure deficiencies were not evidence of blight, but could only be considered in determining whether an area is blighted *if and after* the other criteria for blight (physical and economic blight) were established.

As previously stated, the County does not wish to unnecessarily impede the City's planning and development goals in the proposed Project Area. However, the documentation prepared by the Redevelopment Agency is not adequate under California State Community Redevelopment Law (CRL). The County requests that the City rescind its resolution adopting the Redevelopment Plan for Project Area No. 2, and revise the Plan documentation and reduce the Project Area accordingly to satisfy redevelopment law. Unless the City acts immediately, the County will have no option but to initiate litigation to preserve its legal challenge to the adopted Redevelopment Plan.

In addition, we ask again that City and Redevelopment Agency representatives meet with the County to discuss its concerns and objections, regarding the City's inadequate blight findings under the CRL, as set forth in *Glendora*, the inadequate blight study utilized by the Agency as the basis for its blight findings, and the County's specific concerns regarding the inclusion of the Airport and other industrial properties, concerns that under the Teeter Plan, the Agency will hold the County harmless from property tax delinquencies, and concerns regarding the use of public funds to improve property owned by a private water utility.

The County looks forward to meeting with the City to resolve these concerns, as well as other concerns raised in the County's prior letters of objection. We would suggest that representatives of the Board of Supervisors and City Council be included in such a meeting.

Sincerely,



Norma Santiago

Chair of the Board of Supervisors, El Dorado County

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Cc: Board of Supervisors, El Dorado County
City Council, South Lake Tahoe
David Jinkens, City Manager
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