

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, County Executive Officer
Submitted by: Jennifer Merchant, Principal Management Analyst

DATE: April 3, 2007

SUBJECT: Approve the North Lake Tahoe Resort Association's Proposed Expenditure of Budgeted Infrastructure Funds.

Action Requested

Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds for a portable performing arts stage in an amount not to exceed \$126,000.

Background

In 1996 voters in Eastern Placer County approved a two percent increase in the Transient Occupancy Tax (TOT), which could fund focused infrastructure, transportation, visitor services and marketing improvements in that area. To administer these programs, Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association. This agreement requires NLTRA to receive approval from the Board of Supervisors prior to expenditure from the infrastructure portion of the agreement budget.

The Resort Association's Infrastructure Committee and Board of Directors have determined that the following project is consistent with the Resort Association's Tourism and Community Development Master Plan. This Plan was approved by your Board in July 2004. Therefore, the following NLTRA infrastructure expenditure is being recommended for approval.

Brief Project Description / Funding Request:

Portable Performing Arts Stage- \$ 126,000

The recommended Infrastructure Fund expenditure will fund a portable performing arts stage to be used in the North Lake Tahoe area. A similar stage was purchased with TOT funds in 1991. The stage was owned by Placer County until 2005, when it was transferred to the Tahoe City Public Utility District for \$1. Since that time, the TCPUD has maintained and managed the stage for the benefit of visitors and residents within eastern Placer County. The stage is nearing the end of its useful life and replacement

parts are no longer being manufactured. The TCPUD has made an application to the Resort Association requesting funds to replace the stage.

The stage has been used to support such events as the Lake Tahoe Summer Music Festival, which is held at various venues throughout the North Lake Tahoe area, and Tahoe City Downtown Association summer concerts at Commons Beach.

Other funds, including \$10,000 each in Placer County Park Dedication Fees and Tahoe-Truckee Community Funds are being sought for this facility. Any funds secured will offset actual expenditure of the recommended TOT allocation.

The TCPUD has committed to continue to make the stage available for various non-profit community organizations that hold various performing arts events throughout the community. The TCPUD has further committed to develop a policy in conjunction with the Resort Association and interested community organizations to allow for organizations outside its boundaries, but within Placer County's TOT collection area, to utilize the portable facility with only transportation and nominal staff costs required to be covered. A larger fee for non-profit groups in the region, but outside of Placer County, would be charged. Those fees would then be set aside in an account to go toward future replacement costs.

As requested, the funding request is consistent with the Resort Association's Master Plan, which states that "performing arts are an important part of the visitor experience and the community element."

Fiscal Impact: The funding described above would come from the Resort Association's County Agreement FY 2006-2007 budget funds designated for infrastructure improvements. There are sufficient funds available within this budget category to cover the amount of the requested expenditure approval.

Environmental Analysis: The Board of Supervisor's approval of the NLTRA's expenditure funding contribution to this infrastructure project is categorically exempt from CEQA per Section 15061, which provides a general rule that if an activity does not have the potential to cause a significant environmental effect, it is exempt from CEQA. The specific projects were and continue to be evaluated under CEQA by the corresponding lead agencies.

Recommendation: Approve NLTRA's expenditure of infrastructure funds for a Performing Arts Stage in the total amount of \$126,000. The recommended project represents the cooperation of multiple agencies and funding partners and the expenditure will result in significant improvements to the tourism infrastructure at North Lake Tahoe. The project recommended for funding is consistent with goals in the Resort Association's Tourism & Community Investment Master Plan.

TM:RC:jam