

Lower Kingsbury Grade aims to improve infrastructure

By Kathryn Reed

MINDEN – A wish list of more than \$64 million worth of improvements to the Lower Kingsbury Grade area is circulating among Douglas County officials and property owners.

“It’s a major public policy decision to create a district like this,” Douglas County Manager Michael Brown said. “We would use the tax increment for water quality and transportation improvements.”

With papers scattered about him in his Minden office, all that was missing was a crystal ball to know how the proposed tax increment area might actually transform the Stateline area.



Douglas County
Manager
Michael Brown
talks about
the TIA.
Photos/Kathryn
Reed

The TIA has been talked about for close to two years. A decision to go forward or not needs to be made by the commissioners by September to have everything in order for that next fiscal year, 2011-12.

At the April 15 Board of Commissioners meeting county staff will update the elected officials with the proposed list of projects.

The tax increment area is somewhat of a hybrid of what the city of South Lake Tahoe is trying to do with its proposed redevelopment area No. 2 and what Ski Run Boulevard has done with creating a business improvement district.

Besides the TIA, in Nevada a special assessment district could be created. The major difference between a TIA and SAD is funding for the SAD comes from additional fees or charges to properties in the area.

A redevelopment area could also be designated instead of a TIA. Differences include properties in a RDA being able to opt out of the plan, no taxing agencies are exempt and there is more flexibility in what can be funded.

With a TIA, it means Douglas County School District would not be impacted.

The TIA works on tax increment just like redevelopment in South Lake Tahoe. A base line year is established. From then on entities in the plan area that receive a portion of property tax dollars would be locked into that rate for the most part. As property values increase, the increased property taxes that are collected go to the TIA or redevelopment area.

Click on map to see the proposed area outlined in pink.

In the case of Lower Kingsbury Grade, if the TIA were approved, the money would go toward capital improvement and water/environmental quality projects.

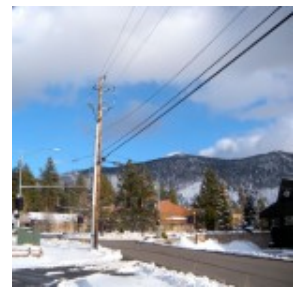
"A tax increment area is helping me look at what projects I might do and how the Lower Kingsbury area might change," Mike Bradford, who runs Lakeside Inn and Casino, said. "It provides some funding for improvements, like sidewalks and particularly

for drainage.”

All jurisdictions in the basin must do a certain amount of Environmental Improvement Projects to comply with Tahoe Regional Planning Agency mandates. The TIA could help Douglas County fund its share of those projects.

“It’s something the county, TRPA and property owners have been working on,” TRPA spokesman Dennis Oliver said. “(The TIA) could be used for water quality.”

Some of the proposed projects include stream environmental restoration to Edgewood and Burke creeks as well as improving run-off from area roads.



Overhead wires on Kahle Drive may disappear if the Tax Increment Area is created.

Capital improvement projects might include putting overhead utilities underground on Kahle Drive. If Lakeside Inn goes forward with plans to overhaul its hotel and have rooms with a view, it would mean an unobstructed vista over Rabe Meadow if the lines went away.

Improving Kahle Drive would also mean a more inviting entry to Tahoe Beach Club; another planned development that has been stalled by the economy.

Money could also go toward improving the loop road around the Stateline casinos.

The TIA would be for 30 years. The amount collected in that time is unknown. It's determined by the base year and how fast values go up.

JNA Consulting Group out of Boulder City in Southern Nevada has come up with a few scenarios. They are contingent on when three major developments – Sierra Colina, Edgewood Hotel and Tahoe Beach Club – come onto the tax role. Those properties will be valued higher when construction is complete. That property tax will help fuel a large part of the TIA.

Brown acknowledged that for the TIA now would be a good time to create it because property values are stagnant and therefore as the economy picks up, the tax increment will accordingly. However, he points out, this could be a negative for the rest of Douglas County because it will not reap the benefits of those gains.

He said it is something the commissioners have been discussing. Commissioner Nancy McDermid, who has been a proponent of the TIA, did not return phone calls or emails.