Opinion: Redevelopment subsidy crippling South Lake Tahoe

To the publisher,

The City Council's 1995 decision to subsidize redevelopment debt by giving all of the hotel room taxes in Redevelopment Area 1, Herbert Avenue to Stateline, set the table for the city's economic woes for the last 15 years.

After the 1995 decision, the city manager and the council began a reorganization plan called Destination 2000. As a result, 18 city employees left the city. The finance officer left, and the police chief and fire chief officers were combined into one. The fire chief became the police chief in the dual role.

Bill Crawford

Sometime between the years 2000 and 2002 $7 million was filched from the city's general fund and given to the Redevelopment Agency. The City Council didn't know about it until after it was disclosed. It was then called a loan.

In 2002, bonds were sold to finance the city garage at 7 percent interest when the going rate for muni bonds was 4 percent. The garage is a millstone around the city's neck and is one of the factors that has led to the city to nearly drown in debt.

Now there’s the Hole in the Ground bankruptcy which is the third bankruptcy for redevelopment in South Lake Tahoe.

About a year and half ago while Mr. (Dave) Jinkens was city manager there was another reorganization of the city’s workforce. People were terminated. Some were given early retirement. But the subsidy to redevelopment remained whole.

Now there’s another attempt by the city to salvage city operations with the Strategic Plan 2011-14. What’s new? The plan is one more reorganization somewhat like the Destination 2000 plan, reducing staff, etc. But the gift of $4 million a year to redevelopjment remains intact.

Redevelopment remains the sacred cow. Well, that’s politics. Ignore the facts so that the same old stupidities are repeated.

Bill Crawford, South Lake Tahoe