Big strike against Olympic Valley incorporation

By Kathryn Reed

The ability to make Olympic Valley the next incorporated city in California was dealt a set back this week.

The draft of the comprehensive fiscal analysis (CFA) says, "… the town's potential general fund and road fund expenditures materially exceed revenues in each year of our forecast and incorporation does not appear to be feasible at this time."

Placer County's Local Area Formation Commission is tasked with determining if it is fiscally prudent for an area to become incorporated. Without a yes from LAFCo, it's near impossible to proceed.

"These are proposed numbers, but I don't agree with them," Fred Ilfed with Incorporate Olympic Valley told *Lake Tahoe News.* He doesn't believe LAFCo should have released any findings until the revenue neutrality negotiations are finished. Those talks aren't supposed to start until June.

The whole issue of incorporation started a few years ago when Squaw Valley ski resort proposed developing the 26-acre base resort for more lodging and other amenities that were designed to make the area more of a year-round destination.

Many residents in this small enclave are resistant to the proposed changes. They like the quiet, rural setting. Now they want more of a say over what happens to their piece of the Sierra. Today their representation is the Placer County Board of Supervisors that occasionally meets in the greater Lake Tahoe area. Many feel disenfranchised with that board being based in Auburn and not tied to the greater Lake Tahoe area. This led the group to start the process of incorporating as a

city.

One of the criteria to accomplish this is to demonstrate that doing so would not adversely financially affect the county. According to the draft CFA, that is not going to happen in this case.

“The independent study confirms the prevailing wisdom, that creating a town of 500 people, based on one revenue source and dependent on tourism and weather conditions, doesn’t make sense. There aren’t enough pencils and erasers in the world to make the numbers work,” Andy Wirth, president and CEO of Squaw Valley Ski Holdings, said in a statement. “Furthermore, any attempts by Incorporate Olympic Valley to grab and capture transient occupancy tax from other parts of the North Lake Tahoe area, amounts to a taking that will only have negative and adverse effects for everyone who lives here, works here or visits here.”

It is Wirth and his bosses who want to do the developing.

Pro incorporation advocates don’t believe the draft report is the final nail in their coffin. There is a public hearing next month to further gather information, plus the fiscal analysis is not completely done.