

Letter: Questions about Kings Beach event center

Publisher's note: *The following comments were sent to the North Tahoe Public Utility District board by Tahoe Vista resident Ellie Waller regarding the North Tahoe Event Center-Laulima lease.*

Can the attorney please explain the terms of the out clause and its enforceability? What language in the out clause is ironclad that guarantees the district can walk away from this unsecured deal? And who will actually make the determination of financial feasibility and what criteria will be the benchmark in the determination?

Just say no to the lease terms and re-evaluate this as a community asset and not utilize the skewed survey results that will always be skewed due to the second homeowner population always outweighing the full-timers when it comes to not wanting to pay additional taxes for a center they do not utilize. The survey fell short of being a reality check and did not clearly convey the issues or pose other potential solutions. Reaching out to second homeowners has never been a priority and they are at least 50 percent of the vote.

The LLCs must be vetted and introduced to the public before any decision is made. I understand that more LLCs could be created, but we need to know who these others are now. Be reminded LL means "limited liability," so what does that really equate to in a security bond if bankruptcy is filed? Can the attorney explain how that might be handled? Due to the uncertainty of who will really be leasing the event center and the possibility it could be Laulima Northstar LLC Nick Donovan that came into existence Aug. 1, 2017, or Laulima Development LLC Dena Grunt June 27, 2017, which occurred after the original negotiations began in 2016 or Alexander Valley or any

other out of the basin entity as an LLC. Let Laulima build their own event room as stated they could.

The FAQ answer that the community benefits because we get a renovated center isn't really true. Laulima LLCs' (plural) get a multi-million dollar lakefront property they don't have to finance, build or pay property taxes on, renovation is much less. Can the attorney tell us how much in lease taxes they will pay versus what the event center property taxes are?

The negotiation for whatever hours for the public is not on a prioritized basis. I completely understand the third party must recoup investment on the asset. With that said, I say level it and develop a plan for a new community center and not lease a multi-million dollar asset for third party gain. At this point I'd rather explore demolishing the asset with permission from the state as the tenant could do the same as stated in No. 31. What is the attorney's interpretation of No. 31?

If it's such an albatross and deferred maintenance has not been prioritized for years and the PUD doesn't want to run it anymore, why not level it? It can become an open beautiful view-shed for the locals and tourists alike. A nice park area as deed defined as recreation; could be maintained by the PUD if desired. Lake Tahoe is an Outstanding National Resource Water and does not owe anyone a living. The TC Golf Course and IVGID assets do not produce a positive margin.

A private-public partnership that will benefit the locals can be developed with Placer County and the resort association, much like their MOU with the Tahoe City Golf Course with request of TOT funds that could supplement a smaller tax increase. The tax increase was never really defined and questions like fixing basketball courts obscure.

Also an excellent comment that this will give an unfair advantage to a singular lodging property was made and be

reminded this is a North Lake Tahoe asset. Maybe all the lodging properties should get together and propose an alternative where they as well as Placer TOT could come up with some of the costs for deferred maintenance and renovation. The NLTRA could help market it.

The facilitation has gone well and I commend the moderator, but with that said the public record will be skewed as questions have not been answered sufficiently in some cases and dissenting comments were sanitized.

The negotiation from \$200K to \$50K is not acceptable. Why not \$90K for first year as a due diligence at the very least as that is the deficit?