South Tahoe homes sales, median prices rising

By Dan Spano

We are still seeing a lot of action in the South Lake Tahoe real estate market. The July figures were just released and they continue to show that interest in buying a home in Lake Tahoe is still growing.

During the last year we saw homebuyers flock to Lake Tahoe for a few reasons: low interest rates and an increased interest to buy something before they felt it was too late. When we saw more home listings enter the market this summer we saw the sales frenzy subside a bit.

The chart shows sales figures:

	July 2013	**July 2012**	**July 2011**
Closed sales	80	68	53
Median sales price	$297,000	$234,050	$235,000
No. of homes for sale	363	422	693
No. of new listings	120	93	126

The month's supply of homes for sale in Lake Tahoe has started to increase. The ideal balance between buyers and sellers is a six-month inventory of homes to get a balanced market between buyers and sellers. Our current month's supply is 5.8 so this is the closest to a balanced market we've seen in months.

The future

Demand for homes in South Lake Tahoe has started to slow down, but we won't see those figures for another two to three months once escrows start to slow. I continue see a lot of clients from Northern California who really want to own a vacation home in Lake Tahoe. This is a great place to own a vacation home and/or a vacation rental.

I see the number of closed sales starting to level off and the interest rates starting to climb slightly. The 3 percent interest rates are now gone and we're seeing rate up to 4.7 percent. For the future I see a more balanced real estate market in Lake Tahoe, more inventory available, the median prices continue to increase and still more good opportunities for buyers.

Many cities are already back to where home values were before the slump of the last few years but that isn't the case in Lake Tahoe. Since we're still below our high price point of pre-2007 there is still room to grow and home buyers realize this.

Dan Spano is with Paradise Real Estate.

Health care costs affecting public unions

By Kate Taylor, New York Times

Cities and towns across the country are pushing municipal unions to accept cheaper health benefits in anticipation of a component of the Affordable Care Act that will tax expensive plans starting in 2018.

The so-called Cadillac tax was inserted into the Affordable Care Act at the advice of economists who argued that expensive health insurance with the employee bearing little cost made people insensitive to the cost of care. In public employment, though, where benefits are arrived at through bargaining with powerful unions, switching to cheaper plans will not be easy.

Cities including New York and Boston, and school districts from Westchester County, N.Y., to Orange County are warning unions that if they cannot figure out how to rein in health care costs now, the price when the tax goes into effect will be steep, threatening raises and even jobs.

“Every municipality with a generous health care plan is doing the math on this,” said J.D. Piro, a health care lawyer at a human resources consultancy, Aon Hewitt.

But some prominent liberals express frustration at seeing the tax used against unions in negotiations.

“I think it was misguided all along,” Robert B. Reich, the former labor secretary, said in an email. When the law was being written, he said, he worried that the tax was “a blunt instrument that could too easily become a bargaining chit for cutting back benefits of workers.”

“Apparently, that’s what it’s become,” Reich, who is a professor of public policy at UC Berkeley, said.

Under the tax, plans that cost above a certain threshold in 2018 — $10,200 annually for individual plans and $27,500 for family plans, with slightly higher cutoffs for retirees and those in high-risk professions like law enforcement — will be taxed at 40 percent of their costs in excess of the limit. (The thresholds will rise with inflation after 2018.)

Read the whole story

Construction vehicle hits cyclist in S. Tahoe

Updated 3pm:

Donovan Boling, 25, of South Lake Tahoe is the cyclist who was injured.

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A bicyclist was seriously injured early this morning in South Lake Tahoe after a construction truck hit him.

Names, ages and hometowns of the individuals involved have not been released.

A Calstar helicopter landed on Highway 50 to transport the cyclist to Renown Medical Center in Reno.

"It looks like the impact launched the bicyclist several feet," police Lt. Brian Williams told *Lake Tahoe News*.

A helmet has not been found. The bike did not have a headlight or reflectors on the wheels or pedals. There was a single red reflector on the bike.

The driver of the large truck is working for a contractor hired by Caltrans to do work on Highway 50. He told officers he was going east on the highway in the right lane about 3:15am Aug. 6 near Wildwood Avenue when he felt something. He backed into the other lane, looked around and saw the bleeding cyclist and bike in the road.

The driver estimated he was going about 25 mph.

Officers are at the scene this morning trying to figure out what direction the cyclist was traveling.

— Lake Tahoe News staff report

NDOW kills 'problem' Glenbrook bear

This bear was killed Aug. 5 by Nevada wildlife officials. Photo/Provided

Nevada Department of Wildlife officials today killed a 3-year-old male black bear they said was a threat to public safety.

The bear had initially been caught in Glenbrook on June 24. A tag was put in its ear so it could be identified in the future if it caused problems. It was released in the Mount Rose area.

It was photographed by a homeowner in the south Reno area on June 28.

"One person in that Galena neighborhood tried to shoo the bear away from his house but the bear actually tried to follow him during this encounter," NDOW biologist Carl Lackey said in a statement. "This kind of behavior shows a level of habituation to humans that can be very dangerous."

By Aug. 4 it was back in Tahoe causing problems. It was seen again Sunday near the Glenbrook golf course, which is where it was trapped.

Glenbrook has been dealing with bear issues for much of the summer. This particular bear had been reported as the one that had broken into an outbuilding and was implicated in the death of a goat, according to Lackey.

But not everyone believes killing bears is necessary.

The BEAR League on its Facebook page says, "Soon there will be no bears left in Nevada, thanks to NDoW and especially Carl Lackey."

This is the third bear NDOW has killed this year for what it calls public safety reasons. In that same time period 22 bears have been handled and released.

"We will see more and more bears searching for food. It is the responsibility of people living in bear country to not attract the bears by poorly handling garbage or leaving other attractants like bird and pet food available," Lackey said.

— Lake Tahoe News staff report

Deputies detonate 'adult toy'

Instead of leaving the suspicious device in the forest, a woman living on Bella Coola brought it back to her house.

Then she called the El Dorado County Sheriff's Office. Deputies from the bomb unit came to the South Shore to handle the call last week. The device was X-rayed and then blown up to destroy it.

"It turned out it was a homemade 'adult toy' that someone had left in the forest," sheriff's Lt. Pete Van Arnum told *Lake Tahoe News*.

— *Lake Tahoe News staff report*

Motorcyclist seriously hurt in Hwy. 50 collision

A motorcyclist from Southern Nevada was seriously injured Sunday when a van making a U-turn struck him.

Joshua W. Hanlon, 20, of Henderson was pinned under the 1981 VW van, as was his 2013 Kawasaki. He was airlifted to Renown Medical Center in Reno with serious injuries.

The driver of the van, Peter Z. Kwan, 75, of San Francisco was also taken to the Reno hospital by helicopter, but he did not sustain serious injuries. Kwan was cited at the hospital for making an improper U-Turn.

Nevada Highway Patrol Trooper Chuck Allen told *Lake Tahoe News* that Kwan was in the westbound lane when he flipped a U-turn to go east, didn't see the motorcyclist and the collision occurred.

The accident happened about 3:30pm Aug. 4 on Highway 50 between Zephyr Point Presbyterian Conference Center and Zephyr Cove Resort.

— Lake Tahoe News staff report

CalFire fee angers rural Californians

By Jack Newsham, Sacramento Bee

Foothill residents, as well some property owners in the Lake Tahoe Basin, are bracing for the second year of "fire prevention fees," a $150 charge that a class-action lawsuit alleges is an illegal tax.

The state Board of Equalization began sending bills two weeks ago to more than 700,000 Californians who own land in the 31 million-acre "state responsibility area" where the California Department of Forestry and Fire Protection is responsible for fire protection.

In October, El Dorado County joined the Howard Jarvis Taxpayers Association's lawsuit seeking to block the state's fire fees on rural properties, but hearings have barely begun.

Read the whole story

Low-cost airlines battling

for travelers

By Justin Bachman, Bloomberg Businessweek

The low-fares, high-fees business model is expanding across the airline industry, and now a third ultralow-cost carrier appears ready to enter the battle between Spirit Airlines and Allegiant Travel for America’s cheapest travelers.

Frontier Airlines, the Denver airline known for the majestic wild animals painted on its jets’ tails, may soon become a legitimate down-market competitor.

William Franke, Spirit’s chairman and managing partner of Indigo Partners, a private equity firm that focuses on airlines, is negotiating to acquire Frontier Airlines from Republic Airways and turn it into the same type of operation he pioneered at Spirit, Dow Jones reported this past week. Indigo will sell its 16 percent stake in Spirit, and Franke and another Indigo partner, John Wilson, will resign from Spirit’s board next month.

Republic, which flies regional jets on behalf of the major airlines, acquired Frontier in August 2009 as a way to diversify its revenue beyond the contracts it signs with the large hub-and-spoke airlines. But that experiment largely failed, and Republic has been trying to sell the airline for more than a year. Last week Republic told investors it had signed a nonbinding agreement with a buyer to negotiate Frontier’s sale.

Frontier could present Phoenix’s Indigo an opportunity to expand the leisure-travel model in the U.S. that has enjoyed immense popularity worldwide, with players such as Ryanair, easyJet, Wizz Air and Volaris. Such airlines offer low fares but then assess fees for nearly every aspect of a flight, from water to carrying aboard a bag.

Frontier also has an attractive asset in its early orders for new versions of Airbus’ A320neo and A319neo models. Two years ago, Republic placed 40 firm orders and 40 options for the new planes, giving it a lucrative placement in the order queue for a hot-selling airplane, Cowen & Co. aviation analyst Helane Becker says.

Franke, a former chief executive of America West Airlines, has compiled “a really good track record” in the industry, Becker says, calling Frontier “definitely a turnaround story” that could eventually be sold to a larger carrier or taken public in three to five years if any revamp is successful.

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3 fires buring in Eldorado National Forest

By Sacramento Bee

Firefighters were kept busy Sunday battling three fires in the Eldorado National Forest.

The Kentucky Fire started at 11:45am Sunday off Blacksmith Flat Road. Five engines, one helicopter and one hand crew or roughly 40-plus firefighters have been working on the blaze, which had consumed 2 acres by mid-day Sunday.

“It is zero percent contained, but they were able to get a hose lane around half the fire,” said Laura Hierholzer, fire information officer for the Eldorado National Forest.

“They are able to get water out to half the fire, so it’s not progressing.”

Read the whole story

Gold rush-era discards may have new use today

By Tracie Cone, AP

SACRAMENTO – Across the West, early miners digging for gold, silver and copper had no idea that one day something else very valuable would be buried in the piles of dirt and rocks they tossed aside.

There's a rush in the U.S. to find key components of cellphones, televisions, weapons systems, wind turbines, MRI machines and the regenerative brakes in hybrid cars, and old mine tailings piles just might be the answer. They may contain a group of versatile minerals the periodic table called rare earth elements.

"Uncle Sam could be sitting on a gold mine," said Larry Meinert, director of the mineral resource program for the U.S. Geological Survey in Reston, Va.

The USGS and Department of Energy are on a nationwide scramble for deposits of the elements that make magnets lighter, bring balanced hues to fluorescent lighting and color to the touch screens of smartphones in order to break the Chinese stranglehold on those supplies.

They were surprised to find that the critical elements could be in plain sight in piles of rubble otherwise considered eyesores and toxic waste. One era's junk could turn out to be this era's treasure.

Read the whole story