

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, County Executive Officer
Submitted by: Jennifer Merchant, Principal Management Analyst

DATE: October 19, 2010

SUBJECT: North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds for the Northstar Multipurpose Trail environmental analysis (up to \$500,000)

Action Requested

Approve the North Lake Tahoe Resort Association's proposed expenditure of up to \$500,000 in budgeted Infrastructure Account funds for environmental studies related to the Northstar Multipurpose Trail.

Background

Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association to provide transportation and infrastructure project development and tourism marketing and visitor information services. The agreement is funded with general fund Transient Occupancy Tax dollars and requires Board of Supervisors approval prior to expenditure from the infrastructure portion of the agreement budget.

The Resort Association's Infrastructure Committee and Board of Directors have voted to recommend that the County Executive Office carry forward the following project for approval by your Board. In doing so, they affirm that the project is consistent with the Resort Association's Tourism and Community Investment Master Plan, which was approved by your Board in July 2004. The recommended project represents the cooperation of multiple agencies and funding partners and the expenditure has the potential to lead to significant improvements to the tourism infrastructure at North Lake Tahoe. Therefore, the following NLTRA infrastructure expenditure is being recommended by the County Executive Office for approval.

Brief Project Description / Funding Request

Northstar Multipurpose Trail- \$500,000

The recommended funding allocation will support the next step in development of the Northstar Multipurpose Trail. In 2005 your Board approved funds to assess community support, feasibility and initial environmental studies and project design. This allocation will complete the required CEQA/NEPA environmental studies, allow for the

preparation of detailed design and initiate construction. The project will consist of a 10-foot wide paved recreation trail that links with the Town of Truckee in Martis Valley and the Northstar Village. This nine mile section is the first of two planned phases, the second of which will also be analyzed in the environmental document. The total project cost is currently estimated at \$10-\$13 million. Project proponent Northstar Community Service District has secured an additional \$3.1 million to date and expects to begin construction in 2012.

Fiscal Impact

The funding described above would come from Transient Occupancy Tax funds currently held for the purpose of Tahoe area capital project implementation in the County Treasury. There are sufficient funds available within this fund to cover the amount of the requested expenditure approval.

Environmental Analysis

The Board of Supervisors' approval of the NLTRA's funding contribution to this infrastructure project is categorically exempt from CEQA per Section 15061, which provides a general rule that if an activity does not have the potential to cause a significant environmental effect, it is exempt from CEQA. The specific project will continue to be evaluated under CEQA by the corresponding lead agency.