

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, County Executive Officer *BR for Dick Colwell*
Submitted by: Jennifer Merchant, Principal Management Analyst

DATE: April 15, 2008

SUBJECT: Approve the North Lake Tahoe Resort Association's proposed expenditure of \$80,000 in budgeted infrastructure funds for a Feasibility Plan for Arts and Culture in the amount of \$60,000, and North Tahoe Community Conference Center Reservation Tracking Software in the amount of \$20,000.

Action Requested

Approve the North Lake Tahoe Resort Association's proposed expenditure of \$80,000 in budgeted infrastructure funds for a Feasibility Plan for Arts and Culture in the amount of \$60,000, and North Tahoe Community Conference Center Reservation Tracking Software in the amount of \$20,000.

Background

In 1996 voters in Eastern Placer County approved a two percent increase in the Transient Occupancy Tax (TOT), which could fund focused infrastructure, transportation, visitor services and marketing improvements in that area. To administer these programs, Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association. This agreement requires NLTRA to receive approval from the Board of Supervisors prior to expenditure from the infrastructure portion of the agreement budget.

The Resort Association's Infrastructure Committee and Board of Directors have determined that the following projects are consistent with the Resort Association's Tourism and Community Development Master Plan. This Plan was approved by your Board in July 2004. Therefore, the following NLTRA infrastructure expenditures are being recommended for approval.

Brief Project Description / Funding Request:

Truckee-North Lake Tahoe Feasibility Plan for Arts and Culture- \$60,000

The recommended Infrastructure Fund expenditure will fund roughly half of analysis of existing Arts and Culture offerings in the North Lake Tahoe region and make recommendations regarding opportunities for development of additional facilities, including a multi-purpose Performing Arts Center.

The Resort Association has received eight proposals from consulting firms interested in developing the study. The total expected cost of the analysis is \$110,000. Other funding partners include the Town of Truckee, Truckee Donner Parks and Recreation District, Truckee Tahoe Community Foundation, the Lake Tahoe Incline Village Crystal Bay Visitors Bureau, Sierra College and the East West Foundation.

The feasibility plan will provide a roadmap for creating vibrant arts and cultural resources in the Tahoe Region, describe the venue(s) and types of programs needed to attain that goal and determine preferred locations and analyze operational sustainability for each potential site. It is expected to be complete this fall.

North Tahoe Conference Center Reservation Tracking Software- \$20,000

The recommended Infrastructure Fund expenditure will fund reservation tracking software for the North Tahoe Community Conference Center. The facility is owned and operated by the North Tahoe Public Utility District. Placer County TOT funds were utilized to fund renovation of the facility in 1988 for use as a convention center. The facility was initially deeded to the NTPUD from Placer County following a land swap between the County and California State Parks in 1978.

The Conference Center is central to the economy and community identity of Kings Beach. A market analysis completed in 2006 by the NTPUD in conjunction with the North Lake Tahoe Resort Association illustrates that recent operational losses were in part due to poor management, outdated facilities and operational procedures, market share loss to more modern facilities and insufficient quality lodging stock.

The NTPUD has been working toward improvements recommended in the analysis and has recently applied for two Resort Association grants. \$15,000 to update its website and brochure was approved granted by the Resort Association Board of Directors earlier this month.

The funding request before you today will fund reservation tracking software. Conference Center staff currently uses an antiquated paper filing system to maintain important client contact, booking and tracking records. The updated system is expected to reduce time spent maintaining records and increase sales and marketing activities.

Fiscal Impact: The funding described above would come from budget funds designated for infrastructure improvements in the FY 2007-2008 County-North Lake Tahoe Resort Association Agreement. There are sufficient funds available within this budget category to cover the amount of the requested expenditure approval.

Environmental Analysis: The Board of Supervisor's approval of the NLTRA's expenditure 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 projects were and continue to be evaluated under CEQA by the corresponding lead agencies.

Recommendation: Approve NLTRA's expenditure of infrastructure funds for the following North Lake Tahoe tourist infrastructure improvements.

1. Truckee-North Lake Tahoe Feasibility Plan for Arts and Culture- \$60,000
2. North Tahoe Conference Center Reservation Tracking Software- \$20,000

The recommended project represents the cooperation of multiple agencies and funding partners and the expenditure will result in significant improvements to the tourism infrastructure at North Lake Tahoe. The project recommended for funding is consistent with goals in the Resort Association's Tourism & Community Investment Master Plan.

TM:RC:jam

