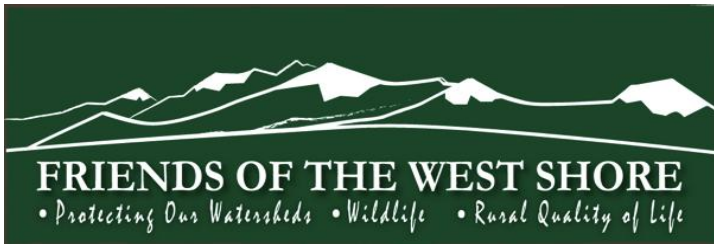




North Tahoe Citizen Action Alliance



May 2012

Dear Current or Former Elected or Appointed Official, Business Owner, Local Tahoe Resident or Non Resident Property Owner, Special Interest Group, International Tourist, and Concerned Citizen,

This letter is written on behalf of the Environmental / Conservation / Citizen Action Community at Lake Tahoe in opposition to the Tahoe Regional Planning Agency's (TRPA) proposed Regional Plan Update (RPU) for the Lake Tahoe Basin. Active RPU planning started in late 2005, but multiple controversies stalled progress. In October 2011, TRPA's approach changed radically for reasons explained below and now differs substantially from what was proposed just six months earlier. The RPU is no longer simply being updated. It is being entirely rewritten, drastically changing core governance issues, thereby endangering the Environmental Thresholds it was created to protect. For example, it:

- delegates TRPA's statutory responsibility for the attainment and maintenance of sensitive Environmental Thresholds to local governmental jurisdictions (five counties and a city);
- grants authority (currently held by TRPA) to local jurisdictions for the approval of large-scale projects;
- offers vast public financial entitlements and incentives for large resort development projects that depend on increased densities and height;

- changes the zoning for thousands of acres of recreation land to residential / commercial thereby expanding the urban boundary; and
- misuses a popular but inapplicable theory of sustainable development disguised as “smart growth” (reducing green house gas (GHG) emissions) in an effort to intensify high-profit urban development in the Tahoe Basin.

This new approach began in October of 2011 with the hiring of two new planning staff members from neighboring Reno, Nevada, who were given almost total control over a congressionally designated national treasure. Under their direction, TRPA’s staff and corporate consultants have rewritten the Goals and Policies, are writing the implementing code language for their new plan, and are scheduled to complete the Draft Environmental Impact Report (DEIR) in April of 2012. While nothing yet has been approved by the full Board of Governors, the target date for the RPU’s completion is December, 2012. TRPA argues that the furious pace of the massive changes is prompted by the “threat” of Nevada’s withdrawal from the Bi-State Compact that created TRPA if it fails to comply with the demands of Nevada’s SB271. TRPA was established to protect the fragile eco-system of the region and SB271 demands, among other things, more attention to economic stimulation and profit.

We do not believe that SB271 is the primary motive for either the speed or extent of unprecedented changes; it is, rather, the excuse to open the door to large-scale development. We also believe, in concert with others in California’s legislature, that Lake Tahoe has “become a political hostage to the agenda of special-interest groups.” A convergence of economic interests has coalesced among corporate resort developers, Nevada representatives on the TRPA Board, and officials from the local governmental jurisdictions whose mutual economic interests will be served by exploiting this national treasure - one of the few in America federally designated as an “Outstanding National Resources Water.”

As a result, we believe serious procedural errors have been made including inadequate public notice and a lack of due diligence given the nature, volume, and extent of the new changes. Led by its Executive Director, Joanne Marchetta, TRPA’s staff is campaigning to “sell” the plan and its theoretical bases as a new form of “21st Century Environmentalism.” They promise to restore the clarity of the Lake, and reinvigorate the local economy by building “sustainable communities” while boosting property and sales-tax revenues. It sounds great but is simply not true.

Their plan is actually not new and rests on a theory of development known as “New Urbanism” that employs progressive “Smart Growth” principles. And, while measured success has occurred in a few locations in North America, it requires very specific conditions which do **not** exist at Lake Tahoe. The theory’s fundamental underlying principles are: building compact vertical structures to reverse sprawl, creating high-density centers for year-round residents, mixing commercial with residential in “villages” to reduce auto dependency, and centering locations along transit routes to encourage mass transit to major job centers. This must be combined with both sufficient roadway

capacity to absorb the new vehicle trips generated by new units and sufficient utility infrastructure capacity for a huge increase in population. (See #1 below) Ringed with a single ribbon of two lane highway around the Basin, with the exception of a few small sections of South Lake Tahoe, such conditions do not exist at Tahoe. But the theory is easy to sell because it contains seductively progressive terms, such as compact, mixed-use, pedestrian and transit-oriented, sustainable, livable, and economical.

In reality the theory is serving as a Trojan Horse for the implementation of what is known as the “Mountain Resort Development Model.” With single projects in the \$250-500 million range, this model has been well documented in the film “Resorting to Madness” (available online) which shows both the environmental and economic destruction that accompanies such development. The Basin does not possess year-round residency with mass transit to job centers located elsewhere. The boutique stores in the proposed resort projects will serve the needs of tourists for short visits and are not mixed-use commercial serving year-round residents and families. The high population densities that are the result of new growth (#2) have proven in other locations, such as Portland, Oregon, to produce a paradox of intensification: more vehicles and trips in the town centers despite the increase in mass transit (#3). Any reduction of auto dependency is in no way offset by the vehicle-use increases that accompany the increase in population and new units. New resort projects add hundreds of units to very small North and West Shore communities, thereby straining Environmental Threshold carrying capacities even further. Traffic congestion, with its attendant air and lake sediment pollution, also increases. Unlike other, more open resort locations where the Mountain Resort Development Model template has been used, Tahoe’s enclosed basin accelerates and exacerbates the cumulative impacts of urban expansion. The model is unsustainable in the Lake Tahoe Basin; therefore, the promise of sustainability made by TRPA, while superficially attractive, is an empty one. It will produce the opposite and never before has the Conservation / Environmental / Citizen Action Community (CECAC) been more appalled and therefore united in opposition to application of this flawed theory.

So what’s the alternative? The “National Main Street Model,” is a well established alternative model of sustainable growth and development that fits better the facts on the ground for much of Lake Tahoe. While no model is perfect and universally applicable, the uniqueness of this model is that it recognizes this salient fact and promotes local democratic decision-making. This model was being pursued in Kings Beach and Tahoe City until 2005, when the Community Enhancement Program (CEP) was conceived by TRPA leadership. The CEP paved the way for Boulder Bay and Homewood Mountain Resorts projects – both glaring examples of the ski industry resort development model and a precursor for the current RPU.

The “National Main Street Model” is a well known and validated preservation-based economic development model tied to local community-based initiatives to revitalize distinct towns and neighborhoods. Local properties and businesses are emphasized and historical, cultural, and architectural heritage values are enhanced. Quite the opposite of the grandiose schemes of resort developers, projects are initiated and evolve from the

ground up in a cooperative context. Small business owners, often mom-and-pop shops, who own the businesses and their buildings, have the most direct stake in economic revitalization. Projects occur on a scale matching the existing roadway and utility infrastructures. The model is more process than outcome oriented in that it recognizes, and actually promotes, the diversification that accompanies democratic decision making. Kings Beach and Tahoe City are still excellent examples of this model. Redevelopment occurs, as the market demands, on a smaller scale (\$1-20 million), and sometimes it doesn't occur at all because it isn't needed. Such a conclusion is inherent in this model. Therefore, this model recognizes, for example, that some North and West Shore communities are so small that there is no need for any prescribed program, including this one. It promotes incremental expansion that is self-directed by the existing business and property owners via the existing infrastructure. The environmental impacts of this sustainable process are minimal. This model fits the circumstances in most Tahoe's small communities because it favors locally determined projects that are sustainably scaled and paced as well as sensitive to the fragile physical environment of the Basin as defined by existing Environmental Thresholds.

Exceptionally democratic in understanding that one type of development doesn't fit all circumstances, this model should be the one guiding the content of the Regional Plan Update but is not. Worries about environmental damage expressed by legislators and by California's Attorney General's Office, which has been monitoring the drastic Regional Plan proposals, are valid. TRPA is codifying a policy of expanding urbanization by intensifying tourist accommodations via high-density corporate resort development, complete with high rise construction, at a time when TRPA isn't even attaining the basic Environmental Thresholds they were created to protect.

You have been contacted because we believe that far too many key individuals, agencies, and departments are unaware of the extent of TRPA's proposed changes and the long-term impacts of those sweeping changes on our environmentally sensitive area. This letter is intended to provide an overview of the nature of the flawed planning underway by TRPA; additional information is available upon request.

- (1) Resort developers (Embassy Suites, Marriot, KSL, Vail Resorts) point to the South Lake Tahoe Casino core redevelopment as evidence of success and therefore argue the applicability of the theory to the entire Lake Tahoe Basin. The facts are, however, that the economics there depended on the tourist accommodations in the adjacent Casinos and the removal of more (2000+) old motel units by the South Lake Tahoe Redevelopment Agency than were rebuilt. In the Lake Tahoe Basin these circumstances were an anomaly. There is no other area in the Tahoe Basin with requisite mass of adjacent population or the hundreds of old units to displace. Moreover, since all California Redevelopment Agencies were dissolved as of February 1, 2011, due to the State's severe deficit, the tax increment funding mechanism used for this development has been eliminated. New resort projects, consequently, just add hundreds of units to very small North and West shore communities thereby straining Environmental Threshold carrying capacities. The model is unsustainable in the Lake Tahoe Basin.
- (2) Recent examples include the Boulder Bay and Homewood Mountain Resort Projects

- (3) At Tahoe the pattern begins with the Embassy Suites, Heavenly Village, and Ski Run Blvd on South shore, and Boulder Bay and Homewood on the North and West shores. These are all resort developments mostly sold as fractional ownership units, the most lucrative industry model.

Respectfully,

Susan Gearhart
President
Friends of the West Shore



Roger Patching
President/CEO
Friends of Lake Tahoe



Ann Nichols
President
North Tahoe Preservation Alliance



Jerry Wotel
President
North Tahoe Citizen Action Alliance



Executive Summary: The Wrong Theory of Development is being Applied to the Lake Tahoe Basin

- I. This letter is written on behalf of the entire Environmental / Conservation / Citizen Action Community at Lake Tahoe in opposition to the Tahoe Regional Planning Agency's (TRPA) proposed Regional Plan Update (RPU) for the Lake Tahoe Basin.
 - A. In October 2011, TRPA's approach to the RPU changed radically. Drastic modifications of core governance issues are being made that endanger the Environmental Thresholds it was created to protect.
 - B. This new approach began with the hiring of two new planning staff members from neighboring Reno, Nevada.
 - C. The Draft Environmental Impact Report (DEIR) for the RPU was delivered in April of 2012. The target date for RPU's completion is December 2012.

- II. TRPA argues that the furious pace of the massive changes is prompted by the "threat" of Nevada's withdrawal from Bi-State Compact if TRPA fails to comply with the demands of Nevada's SB271.
 - A. We do not believe that SB271 is the primary motive for either the speed or extent of unprecedented changes; it is, rather, the excuse to open the door to large-scale development.
 1. We believe special interests have converged to manipulate TRPA and exploit this national treasure.
 2. As a result, we believe serious procedural errors have been made that endanger the Basin including inadequate public notice and a lack of due diligence given the nature, volume, and extent of the new changes.

- III. While presented as a new form of "21st Century Environmentalism," it actually rests on an existing theory of development known as "New Urbanism."
 - A. The theory has experienced some success across North America but is dependent upon specific conditions that don't exist in the Basin.
 - B. While it sounds good and promises much, it is being used as a Trojan Horse for the delivery of the high-density "Mountain Resort Development Model" and is a template for both environmental and economic disaster at Tahoe.

- IV. The theory of development that we believe should be used in the Basin is known as the "National Main Street Model," a well-known and validated preservation-based economic development model arising from local community-based initiatives to revitalize distinct towns and neighborhoods. Understanding that no template fits all circumstances, it promotes local project determinations of

tremendous diversification while understanding that can also result in “no project,” which is fine, if determined democratically by the local community.

- A. Quite the opposite of the grandiose and prescribed schemes of resort developers, actions are initiated and evolve from the ground up in a cooperative context.
 - B. This model fits the circumstances in most of the Tahoe Basin because it favors projects that are sustainably scaled and paced, via the existing infrastructure, that are well suited to the fragile physical environment as defined by existing Environmental Thresholds.
- V. You have been contacted because we believe that far too many key individuals, agencies, and departments are unaware of what is happening that is so uniformly opposed by the entire Conservation / Environmental / Citizen-Action Community (CECAC).
- A. Lake Tahoe belongs to America, not to two small-town planners and a bi-state agency that is deliberately ignoring its primary responsibilities.