

**TAHOE REGIONAL PLANNING AGENCY**

P.O. Box 5310  
128 Market Street  
Stateline, Nevada 89449-5310  
Phone: (775) 588-4547  
Fax: (775) 588-4527  
[www.trpa.org](http://www.trpa.org)

---

## **NOTICE OF PREPARATION**

**To:** California State Clearinghouse  
Nevada State Clearinghouse  
Cooperating Agencies  
Responsible and Trustee Agencies  
Interested Parties and Organizations  
Affected Property Owners (within 300 feet of the proposed Boulder Bay boundaries; plus affected property owners within 1,000 feet of the project along the northern property boundary of the existing Crystal Bay Casino)

**Subject:** Notice of Preparation of a Draft Environmental Impact Statement (EIS) for the Boulder Bay Community Enhancement Program Project, Crystal Bay Nevada, 89402.

**Lead Agency:** **Tahoe Regional Planning Agency**  
P.O. Box 5310  
128 Market Street  
Stateline, NV 89448  
Contact: David L. Landry, Project Manager  
Phone: (775) 588-4547 ext. 214  
Fax: (775) 588-4527  
Email: [dlandry@trpa.org](mailto:dlandry@trpa.org)

**Project Title:** Boulder Bay Community Enhancement Program Project

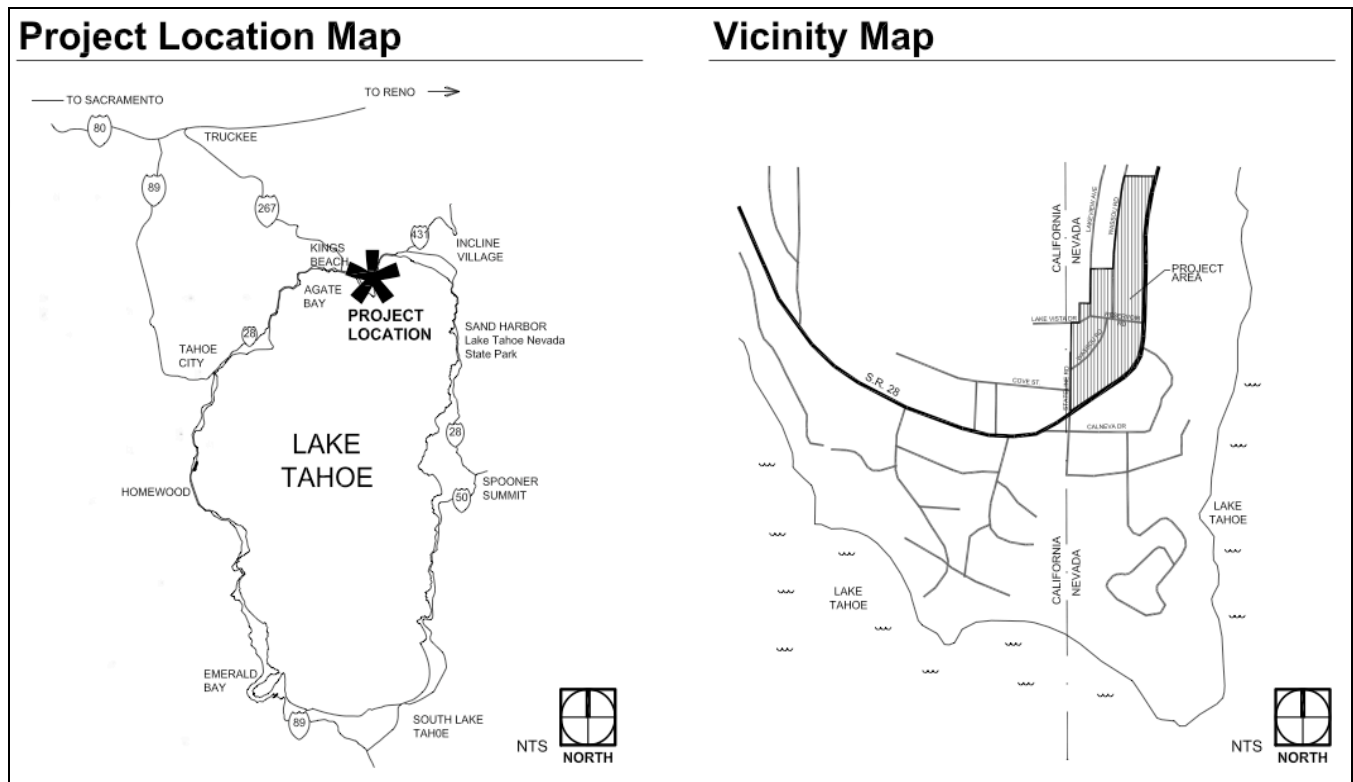
### **Summary**

**Project Description:** Boulder Bay, LLC is pursuing the redevelopment of the existing Crystal Bay hotel and casino into a new full-service resort community located at North Stateline in Crystal Bay, Nevada. The Boulder Bay development, proposed as a mountain village resort, will contain tourist accommodation units, condominiums, workforce housing, meeting space, retail, dining, spa and gaming. These amenities are proposed to be connected by a pedestrian friendly network of walkways. Changes to the local roadway access and expansion of the existing

transit system are also proposed. In addition to the proposed structures, the project includes offsite BMPs to protect water quality and provide public open space and a passive park. A more detailed project description is provided below.

**Project Location:** The proposed Boulder Bay project is located in Crystal Bay, NV adjacent to the California/Nevada state line (Figure 1). The project area is bound by State Route 28 to the east, southeast, and south; Stateline Road to the west; and Wassou and Lakeview Road to the northwest. The Crystal Bay Club, Jim Kelley's Nugget, the Bear Den and the Crystal Bay Motel border the project to the south, across State Route 28. Residential housing units and open forest lands are located to the west, north and east of the project site.

**Figure 1**



In compliance with its Compact and Chapter 5 of the Code of Ordinances, the Tahoe Regional Planning Agency (TRPA) is preparing an Environmental Impact Statement (EIS) that will aid in informing agency decision makers about the potential environmental effects of the Boulder Bay project. This

notice meets the TRPA noticing requirements for a Notice of Preparation (NOP). The purpose of this NOP is to inform agencies and the general public that this environmental document is being prepared for this project and to invite specific comments on its scope and content. Following receipt of scoping comments, a Draft EIS will be prepared for 60-day circulation – it is anticipated that the Draft EIS will be available for public review in early Spring 2009.

We would like to know the views of interested persons, organizations, and agencies as to the scope and content of the information to be included and analyzed in the EIS. Agencies should comment on the elements of the environmental information that are relevant to their statutory responsibilities in connection with the proposed alternatives. The project description, location, alternatives to be evaluated in the EIS, and potential environmental effects of the proposed alternatives (to the extent known) are contained in this NOP.

In compliance with the time limits mandated by TRPA, your responses should be sent at the earliest possible date, but not later than **August 18, 2008** to the TRPA contact person and address below. If you represent a public agency, private firm or other entity, please indicate a contact person on your response.

**Tahoe Regional Planning Agency**  
P.O. Box 5310  
128 Market Street  
Stateline, NV 89448  
Contact: David L. Landry, Project Manager  
Phone: (775) 588-4547 ext. 214  
Fax: (775) 588-4527  
Email: [dlandry@trpa.org](mailto:dlandry@trpa.org)

In addition to your opportunity to submit written comments, a public scoping meeting is being conducted to provide you with the opportunity to learn more about the proposed action and to express oral comments about the content of the EIS. The scoping meeting will be held at the following time and location:

**Wednesday, August 13, 2008**  
**Meeting Begins at 9:30 AM**  
TRPA Advisory Planning Commission  
North Tahoe Conference Center  
8318 North Lake Blvd.  
Kings Beach, CA 96143

## **PROJECT BACKGROUND**

The site of the proposed project currently consists of the 4-story Tahoe Biltmore Lodge and Casino, six cottages, a two-story administrative building, two vacant buildings formally hotel cottage units, and a storage building which was previously the Horsebook Casino. The project site consists of a total of approximately 15.06 acres (655,900 square feet) on 11 distinct parcels. These parcels include the former Tahoe Mariner site that was subject to a settlement agreement signed by the recent property owners, TRPA and the State of California. The original settlement resolved a dispute of TRPA's ability to approve a tourist redevelopment project on the former Tahoe Mariner site. Subsequent amendments to this settlement agreement have been developed in order to accommodate the changing needs of new property owners.

The existing land coverage is 54.5 percent of the total site. The existing Tahoe Biltmore is not in compliance with current TRPA Code of Ordinances and Standards including onsite BMPs and building height standards. The proposed project has been designed to replace the existing facilities, which are substantially past their life cycle, with new structures, amenities and onsite improvements that are based on the specific vision and goals outlined in the North Stateline Community Plan (NSCP) adopted by TRPA and Washoe County. The 15.06-acre project area has a significant slope that rises approximately 40 feet in elevation from the frontage along State Route 28 to the rear (north) of the site along Stateline and Lakeview roads.

## **PROJECT OBJECTIVES**

The Boulder Bay Project was designed according to guidelines provided by TRPA in the Community Enhancement Program (CEP), August 2007 as well as the place based goals and objectives of the North Stateline Community Plan (NSCP). The CEP is seeking net gain solutions for the Lake Tahoe Basin that implement environmental improvements, enhance the quality of life for residents, improve the visitor experience and contribute to the long-term economic vitality of the region. The focus of the CEP is to implement projects that demonstrate substantial environmental, as well as social and economic benefits through mixed-use development projects on existing disturbed and/or underutilized sites.

The specific goals prescribed by the CEP and NSCP and incorporated in the proposed Boulder Bay project include:

- Create a mixed use community center;
- Develop multi-modal transit options;
- Create gathering spaces and a strong economic center;
- Complete TRPA threshold related environmental improvement projects;
- Transfer development to dense urban core areas; and
- Rehabilitate substandard existing development.

## **DETAILED PROJECT DESCRIPTION**

The proposed project will consist of 11 new structures with one to four levels of underground parking, a pedestrian village, community open space, and integrated on-site storm water treatment. Attachment A shows the proposed location of project structures and roadways. The Boulder Bay project is a mixed-use development that will consist of the following services and amenities:

- 366 Tourist accommodation units (hotel, fractional, condominium-hotel)
- 21 market rate condominiums
- 34 onsite workforce housing units
- Approximately 30,000 square feet of retail and dining within a 2-acre public gathering space and pedestrian village
- Approximately 20,000 square feet for a health and wellness center
- Approximately 12,500 square feet of convention and meeting space
- Approximately 10,000 square feet of casino (reduced from approximately 30,000 square feet of Nevada Tahoe Regional Planning Agency (NTRPA) certified gaming area)
- Approximately 670 parking spaces located primarily underground (on up to four levels)
- Over 4 acres of public park and open space (28% of the project area)

- A proposed transportation strategy to include both stand-alone new services as well as partnerships to expand existing transit services

The proposed project would require an amendment to Chapter 20 of the TRPA Code of Ordinances to add a Special Height District for the project area and an amendment to the existing Settlement Agreement to facilitate the redevelopment of the Biltmore and the former Mariner property.

### **The Pedestrian Village and Public Gathering Space**

A two-acre public space in the form of a pedestrian village will run through the project and will include walkways, street furniture, lighting, and information kiosks/directories. The pedestrian access will be linked to existing public pedestrian and bicycle systems at the periphery of the project site.

### **Access, Circulation, Utilities and Parking**

Roadway realignment, including the proposed abandonment of some road sections, will be incorporated into the project design in order to improve roadway and circulation system in and around the project area. The proponents of the project have submitted a roadway abandonment and variance application to Washoe County and are in the process of modifying the application to provide another access point through the project site. The revised plan will be submitted to the Washoe County Planning Commission for final approval.

Almost 100 percent of the required parking for the project will be located in underground and structured parking facilities. All parking requirements are based on Washoe County parking standards and the Urban Land Institute Shared Use parking methodology.

New utility lines for water supply, sewage, fire flows, electricity, gas, telephone, and cable television will be installed. All utility lines will be placed underground. The Project will be responsible for implementing the required public facility improvements and replacement of utilities in coordination with the utility providers that service the project area.

### **Transportation Programming**

Boulder Bay is proposing the implementation of an intermodal transportation plan based upon a review of existing public and private transit services around the lake and an assessment of potential demand for transit services generated by the proposed project. The proposed transportation strategy will include

both stand-alone new services as well as partnerships to expand existing transit services. Furthermore the program plans for additional strategies to encourage increased use of transit and non-motorized travel modes.

### **Hotel and Tourist Accommodation Units**

The tourist accommodation plan for the project includes 217 hotel units and 149 fractional units in 8 separate structures centrally located around the proposed pedestrian village and community gathering space. The architectural character, materials and color palette derives its appearance from Tahoe mountain inspired architecture with exposed wood structure elements, heavy wood slat and stone exteriors.

### **Residential Units**

Four multi-family residential units each containing eight units are proposed and would be oriented towards mountain and filtered lake views. The cluster of buildings is adjacent to the proposed 4-acre public open space and is connected to the project via a network of pedestrian paths. The project also proposes 34 workforce housing units with an average size of 825 square feet.

### **Parks & Open Space**

A 4.16-acre deed restricted, landscaped, public open space with footpaths and lake vistas is proposed to be developed and maintained by the resort on the north portion of the project area. The landscape and irrigation plan proposes to use native and appropriate non-native trees and shrubs requiring minimal maintenance and no fertilizer as well as providing high-traffic, groomed turf areas. An additional mini-park is proposed on a Stateline parcel (Linked Project Status) as described in the NSCP.

### **Restoration & Water Quality**

Storm water management will consist of collection systems, catch basins, drop inlets, pre-treatment vaults, underground infiltration vaults and underground piping to intercept the runoff generated in the proposed project area. Runoff from a 20-year one-hour storm will be treated on-site. All runoff above the 20-year one-hour storm is proposed to go to a water quality improvement project on the California Stateline Road parcel (Linked Project Status) or to treatment facilities located on the Crystal Bay Motel parcel.

The design of the new facilities will provide automatic snow melting capability throughout the pedestrian circulation and promenade. In locations where automatic snow melting is infeasible, these areas have been designed for snow removal and storage. The snow melt from the proposed project will be collected, transported, and treated in the storm water management system.

The total existing land coverage for the project area is 357,357 square feet (54.5 percent), composed of both Class 1(a) and Class 4 land coverage. The plans propose a reduction of approximately 24,600 square feet of existing onsite land coverage. Boulder Bay, through a Linked Project, also proposes to remove and restore 16,391 square feet (100 percent) of the existing land coverage associated with the property known as the Stateline parcel (APN 090-305-016) and 4,127 square feet of offsite land coverage along SR 28 to benefit the overall land coverage reduction associated with the project.

### **Development Commodities**

Within the project area, there is currently 83,396 square feet of verified commercial floor area (CFA) which includes 29,744 square feet of NTRPA certified gaming area. Boulder Bay proposes to maintain 28,640 square feet of CFA for the retail and restaurant village along with incorporating a smaller casino with 10,000 square feet of gaming floor area. The total overall reduction of CFA will be 42,256 square feet, including 19,744 square feet of gaming area reduction. This will be a reduction of over 66 percent in total gaming area currently certified on the Biltmore property.

Boulder Bay currently has 151 verified tourist accommodation units (TAUs) associated with the Biltmore Hotel, the Crystal Bay Motel and the 22 remaining units associated with Sierra Park, along with 7 verified Equivalent Residential Units (ERU) associated with the Biltmore property, the three Sierra Park parcels and the manager's unit at the Crystal Bay Motel.

Boulder Bay proposes 149 fractional ownership condominiums, 217 hotel rooms and suites, and 21 whole ownership condominiums for a total required entitlement of 366 TAUs and 21 ERUs. Taking in consideration the existing verified units of use, the project will require 215 additional TAUs and 14 additional ERUs. Boulder Bay has purchased 141 TAUs, 40 of which are designated SEZ restoration. Boulder Bay proposes to apply for the 43 bonus TAUs associated with the NSCP and 40 bonus TAUs from the Special Project Pool. Boulder Bay also has 14 ERUs banked offsite. All of these units of use will be transferred to the project through the transfer process that will be completed under separate TRPA applications.



## **Leadership in Energy and Environmental Design**

The project will seek a silver level certification from the U.S. Green Building Council. This level of certification is higher than is required by the Community Enhancement Program documentation. The project will also self score according to the LEED Neighborhood pilot program. This is viewed as a progressive environmental proposal for this site and will be achieved by careful attention to site planning and building design. The project will register for federal LEED certification in the fourth quarter of 2008.

## **Project Height & Scenic Quality**

The existing Biltmore Hotel and Casino structure has a height in excess of 76 feet utilizing the current TRPA height calculation method. The position of the existing building provides for less than 7 feet of setback from the State Route 28 right-of-way.

Boulder Bay proposes to create a Special Height District that will provide a transition of height across the building site allowing the buildings to stair-step up the slope to a maximum height below the existing tree canopy.

Consistent with the requirements of the Community Enhancement Program, Boulder Bay has executed a legally binding agreement with Washoe County to participate in the undergrounding of overhead utilities within the NSCP.

## **Community Plan**

The proposed project site is located within the NSCP that defines allowed uses, special uses and critical project goals. In summary, the uses allowed are tourist, residential, commercial, gaming, and uses accessory thereto. All building footprints are sited within the existing NSCP boundary and only that area is utilized for calculation of allowable mixed-use project density. Public open space and a public passive park are the only facilities planned for development outside of the NSCP boundary.

## **POTENTIAL ALTERNATIVES**

Project Scoping is conducted to develop the scope and content of the information to be included and analyzed in the EIS. TRPA Code of Ordinances Subsection 5.8.A(2) requires that an EIS study, develop and describe appropriate alternatives to recommended courses of action for any project which involves

unresolved conflicts concerning alternative uses of available resources. Alternatives for evaluation in the EIS will be developed in consultation with TRPA staff based on input received from the members of the TRPA Advisory Planning Commission and public. Potential alternatives may include, but not be limited to, the following:

- **No Action:** No redevelopment of the existing site would occur. The project site would retain existing conditions with the requirement that BMPs be installed.
- **No Code Amendment:** A timeshare/gaming development project that uses grandfathered height in the existing main structure and new buildings consistent with existing TRPA height and coverage requirements.
- **Modified Mix of Uses:** A mixed-use resort with an alternative mix or number of whole ownership residential, tourist accommodation hotel units, gaming, retail and dining.

## **POTENTIAL ENVIRONMENTAL EFFECTS**

The following subject areas include potential environmental effects associated with the proposed Boulder Bay project. These issues will be explored further during project scoping and during preparation of the Draft EIS.

**Land Use.** Land use impacts to be addressed include changes to onsite uses, land use compatibility, and community character. Land use compatibility issues with the surrounding neighborhood will be studied in the EIS. The EIS will also address the project and alternatives consistency with TRPA (e.g., Code of Ordinances, Goals and Policies, Community Plans, and Community Enhancement Program Guidelines adopted by the TRPA Governing Board) and Washoe County planning guidelines. No Community Plan amendments or changes to the allowable NSCP land uses are proposed.

**Hydrology and Water Quality.** Impacts to water quality that may result from construction and permanent facilities will be studied in the Draft EIS. The potential impacts that may result to hydrology and water quality involve the creation of storm water runoff that would result from creation of impervious surfaces associated with the project and the excavation and fill proposed to prepare the site for redevelopment. No existing stream channels have been identified within the site and therefore will not be impacted as a result of project construction or implementation. Effectiveness of proposed Best

Management Practices on water quality will be studied and analyzed. If necessary additional Best Management Practices or other mitigation measures will be proposed in order to address the potential short- and long-term impacts to hydrology and water quality. The EIS will also address long-term water quality monitoring needs.

**Biological Resources (Fisheries and Aquatic Resources, Vegetation and Wildlife).** The project would likely result in minimal impacts to biological resources due to the existing developed nature of the project area/site. The EIS will evaluate the potential direct, indirect and cumulative effects of the proposed Boulder Bay project on: 1) existing vegetation communities, wildlife habitats, and aquatic resources; 2) common and ecologically significant vegetation, wildlife, and aquatic resources; and 3) special-status plant, wildlife, and aquatic species, including TRPA Special Interest Species. The relationship of project effects to TRPA thresholds for vegetation, wildlife, and fisheries will also be evaluated.

**Earth Resources: Geology and Soils, and Land Capability and Coverage.** The project would involve excavation and the placement of fill material for construction of the proposed facilities, BMPs and landscaping associated with the proposed project. Potential environmental effects related to land capability and coverage, soils and geology, topographic alteration, seismic hazards, slope stability, and erosion potential will be described. The proposed project carries the potential for large excavations necessary for the foundations and parking garage. If soil export outside of the study area is necessary, potential disposal sites will be identified and evaluated.

**Scenic Resources/Community Design.** The potential impacts from adoption of the proposed Special Height District and construction of the proposed project will be evaluated through the use of site visits and photographs from sensitive viewpoints on and near the project site and review of visual simulations. Viewpoint locations will be selected to include scenic threshold sites from SR 28 and Lake Tahoe. The project site is located in Roadway Unit No. 20D (North Stateline Casino Core) and Shoreline Units No. 22 (Brockway) and 23 (Crystal Bay). The TRPA's 2006 Threshold Evaluation Report continues to identify Roadway Unit 20D as non-attainment and "at risk" for additional degradation from new structures. Both Shoreline Units 22 and 23 are out of attainment.

The effects analysis will consider the relationship of the project's building massing, height and design to TRPA scenic ordinances and thresholds and Design Guidelines from the NSCP. The evaluation will

address the proposed special height amendment and its associated impacts on density and neighborhood character.

**Public Access and Recreation.** Construction and operation of the project would have limited impacts to existing public access to and recreational uses adjacent to the project area. Included in the project is a public park and open space area and the potential for a connection to existing and proposed recreational trails adjacent to the project site. The EIS will evaluate the changes to existing recreation areas and uses as a result of project implementation.

**Cultural Resources.** The project is located entirely on developed land. The potential for cultural or historic resources to be located within the project area and the potential for disturbance of known and/or undiscovered cultural or historic resources due to implementation of the project will be analyzed. In addition, the evaluation methodology will include consultation with the Washoe Tribe and evaluation of potentially significant resources in accordance with Section 106 of the National Historic Preservation Act.

**Transportation, Parking and Circulation.** Construction of the proposed project would generate short-term, construction-related traffic. Long-term traffic generated by the proposed project will also be discussed because of the proposed changes to the current density and mix of uses at the site (e.g., replacement of gaming area with additional residential and TAU development). If applicable, the analysis will also discuss potential transportation benefits (e.g., trip reduction, improvements to traffic flow along State Route 28) that may result from project implementation. The transportation analysis will include identification of major roadways and intersections that may be affected by the proposed project, traffic volumes on those roadways, and potential neighborhood effects from proposed abandonment of roadways within the project area. Because of proposed changes to existing roadway network, the effects on local circulation patterns will also be discussed in the EIS, along with the potential for project generated parking demand to exceed the onsite parking supply.

**Air Quality.** Project construction would involve emissions from construction equipment and vehicle trips associated with construction personnel, and the generation of fugitive dust, both contributing pollutants to the air basin. An assessment of short-term (i.e., construction) air quality impacts and long-term (i.e., operational) regional air pollutant emissions, including mobile, stationary, and area source emissions will be performed. If applicable, the analysis will also discuss the potential long-term benefits that may occur from the replacement of old buildings (including offsite TAUs that will be transferred to

the project) with more efficient structures as well as a possible decrease in vehicle trips and/or vehicle miles traveled.

**Noise.** Potential short-term (e.g., construction) and long-term (e.g., traffic and building equipment) noise impacts, relative to sensitive receptors and their potential exposure will be assessed. Noise levels of specific construction equipment will be determined and resultant noise levels at nearby receptors (at given distances from the source) will be calculated.

**Public Services and Utilities.** The EIS will evaluate impacts on power, water treatment and distribution, wastewater collection, solid waste collection and disposal, police services, fire protection services, schools, and fire fuel management.

**Hazards and Hazardous Materials.** The EIS will assess whether potential hazardous materials may be located in the study area. It will also address hazard issues related to adjoining private properties during project construction.

**Agricultural and Mineral Resources.** The proposed alternatives are not expected to affect agricultural or mineral resources in the study area. Existing resources will be verified and discussed.

**Socioeconomics.** Potential economic impacts related to population and housing, especially effects to adjacent residential neighborhoods and from the introduction of work force housing and their occupants to the project site will be considered.

**Growth Inducement.** The effects of the proposed project on growth inducement will be addressed. However, the proposed project is not expected to induce or result in the substantial growth of the full-time population in the region, cause a substantial increase in demand for employment opportunities, or cause an increase in other public needs.

**Cumulative Effects.** The EIS will identify and describe recently approved and reasonably anticipated projects in the Kings Beach/North Shore and Incline Village area and vicinity of the proposed Boulder Bay project, and region-wide planning efforts currently underway. The EIS will evaluate the combined effects of these activities with related impacts of the project or project alternatives.

**TRPA Threshold Carrying Capacities:** The EIS will include an assessment of the project's compliance with and contribution to the attainment of environmental threshold carrying capacities adopted by TRPA.

## **INTENDED USES OF THE EIS**

The TRPA will use this EIS to disclose potential environmental effects, and mitigation measures and alternatives that may reduce the significance of potential effects, when considering the project or alternatives for approval. The EIS will also analyze each applicable alternative's compliance with the Community Enhancement Program criteria adopted by the TRPA Governing Board and the overall net benefits that would be achieved under each alternative. The State of Nevada responsible and trustee agencies may also use this EIS, as needed, for subsequent discretionary actions. Information provided in the EIS will also be used by agencies in their permitting process, including but not limited to, TRPA, NTRPA and Washoe County construction permits, NDOT encroachment permits, and Incline Village General Improvement District (IVGID).

## **ATTACHMENT A – PROPOSED SITE PLAN**

