

Final
Environmental Impact Statement
Beach Club on Lake Tahoe



Douglas County, Nevada

Submitted to:
Tahoe Regional Planning Agency



Prepared by:
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July 2008



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Submitted to:

Tahoe Regional Planning Agency
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July 2008

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ABBREVIATIONS AND ACRONYMS

Aspen Grove	Aspen Grove Apartments
cfs	cubic feet per second
DEIS	draft environmental impact statement
EIP	Environmental Improvement Program
FEIS	Final Environmental Impact Statement
hp	horsepower
LNAPL	light non aqueous phase liquid
MGD	million gallons per day
NEPA	National Environmental Policy Act
NOP	Notice of Preparation
NRS	Nevada Revised Statutes
SEZ	stream environment zone
SWPPP	Storm Water Pollution Prevention Plan
TRPA	Tahoe Regional Planning Agency
VMT	Vehicle Miles of Travel

1 INTRODUCTION

1.1 OVERVIEW

This document is a final environmental impact statement (FEIS) prepared on behalf of the Tahoe Regional Planning Agency (TRPA) pursuant to the Tahoe Regional Planning Compact and the TRPA Code of Ordinances. On January 2, 2008, TRPA distributed to public agencies and the general public a draft environmental impact statement (DEIS) for the Beach Club on Lake Tahoe Project in Stateline, Douglas County, Nevada. In accordance with Article VII(a) of the Tahoe Regional Planning Compact, Article 6.13.b of the TRPA Rules of Procedure, and TRPA Code of Ordinances Section 5.8.A(4), a 60-day public review period was provided for the DEIS. The review period began on January 2, 2008, and ended on March 3, 2008. Two public hearings were held in February 2008 to solicit comments on the DEIS. The first hearing was held at the February 13, 2008, TRPA Advisory Planning Commission meeting at The Chateau in Incline Village, Nevada. The second hearing was held at the February 28, 2008, TRPA Governing Board meeting at TRPA's offices in Stateline, Nevada.

The project applicant, Beach Club, Inc., proposes to redevelop the existing Tahoe Shores Mobile Home Park. The DEIS evaluated the potential environmental impacts associated with the proposed project (Alternative A), two separate development alternatives (Alternatives B and C), and two variations on the no-project alternative (Alternatives D and E).

Written and oral comments were received from state and local agencies and from organizations and individuals. Pursuant to Article 6.14 of the TRPA Rules of Procedure, "at the conclusion of the comment period, TRPA shall prepare written responses to all written comments received during the comment period, and may respond to oral or late comments."

This FEIS has been prepared to respond to comments received on and to make appropriate revisions to the DEIS. Chapter 3 of this FEIS includes all comments received during the public review period for the DEIS and responses to significant environmental issues raised in those comments. Some comments warrant revisions to the text of the DEIS, and are incorporated into the text of this FEIS (see Chapter 4 of this EIS).

1.2 REQUIREMENTS FOR CERTIFICATION AND FUTURE STEPS IN PROJECT APPROVAL

The EIS is intended to be used by the TRPA Governing Board when considering approval of the proposed project or an alternative to the proposed project. In accordance with Article 6.16 of the TRPA Rules of Procedure, TRPA must certify the EIS by making "a finding that the Final EIS is in compliance, procedurally and substantively, with Article VII of the Compact, Chapter 5 of the Code, and these Rules of Procedure." Before consideration of the FEIS by the TRPA Governing Board, the Advisory Planning Commission must review and make a recommendation to the board regarding certification. The board must provide an opportunity for comment on the FEIS and has the discretion to limit such comment to the responses to comments or other new information in the proposed FEIS. Before action by the board on the project, the board shall certify the FEIS. The board cannot approve the project before certification of the FEIS. The TRPA Governing Board will hold a public hearing to consider certification of the FEIS and to decide whether or not to approve the proposed project or an alternative.

1.3 ORGANIZATION AND FORMAT OF THE FEIS

This FEIS is organized as follows:

- ▶ Chapter 1, “Introduction,” provides an overview of the environmental review process and presents a discussion of the EIS certification and project approval process.
- ▶ Chapter 2, “Modifications to the Proposed Project,” describes modifications to the proposed project that have occurred subsequent to the DEIS public review period and whether there are any affects to any of the issue areas analyzed or mitigation measures identified in the DEIS.
- ▶ Chapter 3, “Comments and Responses to Comments on the DEIS,” contains a list of all agencies, organizations, and persons who submitted comments on the DEIS during the public review period, copies of the comment letters submitted, and individual responses to the comments.
- ▶ Chapter 4, “Revisions and Corrections to the DEIS,” presents corrections, clarifications and other revisions to the DEIS text based on issues raised by the comments on the DEIS. Revisions are shown as excerpts from the DEIS text, with strikethrough (~~strikethrough~~) text for deletions and underlined (underlined) text for additions. The changes appear in the order of their location in the DEIS.
- ▶ Chapter 5, “References,” lists references cited in this document.

This document and the DEIS together make up the FEIS.

2 MODIFICATIONS TO THE PROPOSED PROJECT

2.1 INTRODUCTION

This chapter contains a summary of changes to the proposed project (Alternative A) that occurred since circulation of the DEIS for public review and comment. Edits to DEIS text are contained in Chapter 4, “Revisions and Corrections to the DEIS,” of this FEIS.

2.2 SUMMARY OF CHANGES TO THE PROJECT DESCRIPTION

CHANGES TO HOUSING MITIGATION

As discussed on page 3-12 of the DEIS, the proposed project would result in the removal of 54 existing mobile homes that qualify as moderate-income units and subdivision of the project site. Therefore, the project is required to provide 54 moderate-income housing units.

The proposed project considered in the DEIS included the construction of 19 deed-restricted moderate-income for-sale condominiums on the project site. Beach Club, Inc. would also deed-restrict 35 off-site rental units in the existing Aspen Grove Apartments (Aspen Grove) east of the project site. These 35 units are not currently deed restricted and may be rented at market rates. Together, these units would provide a total of 54 deed-restricted moderate-income units.

Beach Club, Inc. has modified the proposed project from that evaluated in the DEIS as it relates to the 54 units of deed-restricted replacement housing. The project applicant now proposes to locate 39 units off-site at Aspen Grove. In response to public testimony and comments made by TRPA Governing Board members at the public hearing on the DEIS held on February 28, 2008, these 39 units would be deed restricted to meet the *affordable*-housing criterion (income not in excess of 80% of the county’s median income). The location of the remaining 15 units has not been determined, but would be completed either on- or off-site before the final phase of project construction as a condition of TRPA project approval. Under the current proposal, one of the following could occur related to the remaining 15 replacement housing units:

- ▶ The project applicant could construct 15 deed-restricted moderate-income for-sale condominium units on site consistent with the original proposal.
- ▶ The project applicant could acquire an additional 15 off-site market rate residential units in the south shore area of the Tahoe Basin that would become deed-restricted moderate-income rental units.
- ▶ The project applicant could acquire raw land and construct 15 deed-restricted moderate-income for-sale condominium units.

Given the lack of raw land available for multi-residential developments, completion of the third option before the final phase of project construction is considered infeasible.

MULTI-RESIDENTIAL BONUS UNITS

The project applicant would be eligible for multi-residential bonus units. As described at page 3-12 of the DEIS, Douglas County maintains a TRPA-certified Local Government Moderate Income Housing Program; therefore, the proposed 15 moderate-income housing units would be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. The following is provided to clarify the bonus-unit incentive process related to the affordable-income housing units.

In accordance with Section 35.2.F of the TRPA Code of Ordinances, which provides that bonus units may be assigned for existing residential units of use if the property is deed restricted for affordable housing, Beach Club, Inc. requests that TRPA's approval of the project include an award of 39 bonus units for the 39 deed-restricted affordable units to be established at Aspen Grove. Beach Club, Inc. would permanently deed restrict the units at Aspen Grove prior to acknowledgment of the TRPA permit.

To qualify for an award of multi-residential bonus units, the proposed density shall not exceed the maximum density limits set forth in the Plan Area Statement (PAS) or Code of Ordinances and multi-residential uses shall be designated in the PAS as a permissible use. Multifamily dwellings are an allowed use in PAS 077, in which Aspen Grove is located; however, the density exceeds the maximum permissible in the TRPA Code of Ordinances and PAS.¹ To satisfy the density requirement, Beach Club, Inc. proposes to create a project area consisting of the Aspen Grove property and a 2-acre parcel on the project site as described below. The project applicant would record a deed restriction against the parcels, assuring that the density calculations would always be made as if the parcels had been legally consolidated.

LINKED PROJECT STATUS/EIP PROJECT NUMBER 506

Pursuant to Section 20.3.D(1)(a)(v) of the TRPA Code of Ordinances, a project area consisting of noncontiguous parcels may be created for coverage and density purposes to facilitate a project having "Linked Project Status." The Linked Project Status designation allows the applicant and TRPA to engage in negotiations for approval of a development project that is linked to a parcel beyond the project area and accomplishment of one or more Environmental Improvement Program (EIP) projects (Section 31.5 of the TRPA Code of Ordinances).

Accordingly, Beach Club, Inc. proposes to partially implement an EIP project on the adjacent University of Nevada 4-H camp site (Assessor's Parcel Number [APN] 1318-22-002-005) and seek Linked Project Status designation for the proposed project to enable the creation of the above-described project area and satisfy the density requirements for an award of multi-residential bonus units. The EIP project involves the undergrounding of approximately 354 linear feet of the lakefront overhead utility lines at the 4-H camp site (Scenic Resources EIP Project Number 506), and is in addition to the utility undergrounding that would be done on the project site. EIP Project Number 506 applies to Shoreline Travel Unit 30, Edgewood, which encompasses the shoreline between Elk Point and the Nevada-California state line. This project involves removing overhead utility lines that run along the shoreline by placing them underground, and reducing the visual contrast of lakefront structures. By placing the overhead lines underground at the 4-H camp site, the Beach Club project would further ameliorate conditions that now contribute to the nonattainment status of Shoreline Travel Unit 30, Edgewood. This would result in progress toward attainment of Scenic Thresholds, although not to a degree to which attainment throughout the unit would be achieved. Implementation of this portion of the EIP project would require participation by the University of Nevada 4-H camp, although the project would be fully funded by Beach Club, Inc. Neither the University of Nevada nor the affected utility providers are proposing to complete this EIP project any time in the foreseeable future, and the proposed project would ensure that this would happen.

To be designated as a candidate for Linked Project Status, a development project must meet the following criteria specified in Section 31.5.A(1) of the TRPA Code of Ordinances:

- (a) The development project is linked to accomplishment of one or more EIP projects, but is not an EIP project itself.
- (b) Participation in creating environmental improvements goes beyond that otherwise required on site for the non-EIP project.

¹ The 1.08-acre Aspen Grove site includes a total of 39 units and has a density of 36 units per acre. The permissible density in PAS 077 is 15 units per acre.

- (c) There is more than one stakeholder required to accomplish the EIP improvements.
- (d) Accomplishment of the EIP project may require an agreement between TRPA and implementation partners.
- (e) A combination of public and private funds may be required to accomplish the EIP project.
- (f) Status designation is justified as the best approach to EIP implementation.

As a result of the Linked Project Status designation for the proposed project, which would include the deed restriction of Aspen Grove, Beach Club, Inc. proposes to create a project area consisting of the 1.08-acre Aspen Grove property and the 2-acre stream environment zone (SEZ) parcel that would be restored as part of the proposed project and created as a separate parcel through the two-step subdivision process for post-1987 projects described in the DEIS. The consolidated project area would contain approximately 3.08 acres and have a permissible density of 46 units for multifamily dwellings (based on 15 units per acre). A deed restriction would be recorded against these parcels to ensure that density would be calculated as if the parcels had been legally consolidated. Aspen Grove would then conform to TRPA's density standards and be eligible for an award of multi-residential bonus units to the project applicant.

2.3 ENVIRONMENTAL ANALYSIS OF PROJECT CHANGES

A discussion of the environmental effects of the revisions to the proposed project must be conducted pursuant to Article VII of the Tahoe Regional Planning Compact and Chapter 5 of the TRPA Code of Ordinances.

The proposed revisions to the moderate-income housing mitigation alone would not create new physical effects. It is assumed that the option of developing raw land is infeasible within the proposed timeframe. Impacts related to the construction of 15 deed-restricted moderate-income for-sale condominium units on-site have already been evaluated in the DEIS. If the project applicant were to acquire another 15 off-site market rate units in the south shore portion of the Tahoe Basin that would become deed-restricted rental moderate-income units, there would be no substantial physical changes to the environment.

The only physical changes that would occur from the proposed project revisions would be related to the undergrounding of utility lines at the 4-H camp site. Aside from the long-term scenic benefits gained by implementing a portion of EIP Project Number 506, impacts related to undergrounding the utility lines would be limited to short-term construction-related effects, the nature of which have already been addressed in the DEIS. Previous disturbance related to the original installation and on-going maintenance of the overhead utility lines has occurred in the easement where these utilities are located on the 4-H camp site. The addition of undergrounding utilities as part of the proposed project would result in short-term disturbances in this easement area, but would not create new impervious surfaces, or additional coverage. Short-term construction related hydrology and water quality (including potential effects on groundwater), biological resources, air quality, noise, and traffic impacts and the potential to unearth previously undiscovered cultural resources or temporarily disrupt public services would be mitigated on the adjacent 4-H camp parcel in the same way as the proposed project site.

In summary, no new significant or substantially more severe impacts would result from these modifications to the proposed project, and the construction-related impacts would be similar to those analyzed in the DEIS. The modified project does not change the DEIS impact conclusions, eliminate recommended mitigation measures, or require new mitigation. Therefore, it does not require recirculation of the EIS.

3 COMMENTS AND RESPONSES TO COMMENTS ON THE DEIS

3.1 INTRODUCTION

This FEIS includes all comments received during the public review period for the DEIS and responses to significant environmental issues raised in those comments. TRPA, which is the lead agency, provided a 60-day review period that was initiated on January 2, 2008, and concluded on March 3, 2008. Two public hearings were held in February 2008 to solicit comments on the DEIS. The first hearing was held at the February 13, 2008, TRPA Advisory Planning Commission (APC) meeting at The Chateau in Incline Village, Nevada. The second hearing was held at the February 28, 2008, TRPA Governing Board meeting at the TRPA offices in Stateline, Nevada.

3.2 FORMAT OF COMMENTS AND RESPONSES

Comment letters and responses to comments are arranged in the following order:

- ▶ Section A: State Agencies
- ▶ Section B: Local Agencies
- ▶ Section C: Organizations
- ▶ Section D: Individuals

Each letter and each comment within a letter have been given an identification letter. Responses are numbered so that they correspond to the appropriate comment. Where appropriate, responses are cross-referenced between letters.

3.3 LIST OF COMMENTERS

Table 3-1 provides a list of all agencies, organizations, and persons who submitted written comments on the DEIS during the public review period.

Table 3-1 List of Commenters Submitting Written Comments		
Commenter	Letter ID	Date
Section A: State Agencies		
Nevada Division of State Lands Robert Nellis, Supervisory Land Agent	A	February 7, 2008
Nevada Division of Environmental Protection Bureau of Safe Drinking Water Andrea Seifert, P.E.	B	February 29, 2008
Nevada Division of Environmental Protection Bureau of Water Quality Planning Jason Kuchnicki, Supervisor, Lake Tahoe Watershed Unit	C	March 3, 2008
Nevada State Historic Preservation Office Rebecca Palmer	D	March 14, 2008

Table 3-1 List of Commenters Submitting Written Comments		
Commenter	Letter ID	Date
Section B: Local Agencies		
Douglas County Sewer Improvement District No. 1 Kelvin Ikehara, District Manager	E	February 1, 2008
Kingsbury General Improvement District Board of Trustees Robert Cook, Chairman	F	March 3, 2008
Tahoe Douglas Fire Protection District Mark Novak, Battalion Chief—Fire Prevention	G	February 29, 2008
Nevada Tahoe Conservation District Doug Martin, District Manager	H	February 25, 2008
University of Nevada Cooperative Extension, Nevada State 4-H Camp Advisory Committee Barbara Byington, President	I	February 27, 2008
Section C: Organizations		
Falcon Capital, LLC G. Randy Lane, Managing Member	J	February 28, 2008
Park Cattle Company Brad Nelson, President	K	March 3, 2008
Section D: Individuals		
Name Withheld	L	March 3, 2008
Jan Christensen	M	January 30, 2008
Jan Christensen	N	February 27, 2008
Monroe Friedling	O	January 18, 2008
Bob Cook	P	March 3, 2008
Michael Ingenluyff	Q	February 20, 2008
Michael Ingenluyff Sr.	R	March 3, 2008
Sandra Lane	S	February 25, 2008
Betty J. Neff	T	January 11, 20 08
Mike Newell	U	February 15, 20 08
Steve Ray	V	February 29, 2008
Karen and Stephen Saunders	W	February 29, 2008
Helen Sauter	X	February 4, 2008
Edgar Scharruhn	Y	February 29, 2008
Eric Scheetz Sr.	Z	February 26, 2008
Norma Thayer	AA	February 20, 2008
Jim Weber	BB	January 28, 2008
Bruce Williams	CC	March 3, 2008

3.4 COMMENTS AND RESPONSES

The written comments on the DEIS and the responses to those comments are provided in this section. Pursuant to Article 6.14 of the TRPA Rules of Procedure, “at the conclusion of the comment period, TRPA shall prepare written responses to all written comments received during the comment period, and may respond to oral or late comments.” All comment letters are reproduced in their entirety, and each is followed by responses to comments on substantive environmental issues. Where a commenter has provided multiple comments, each comment is indicated by brackets and an identifying letter/number notation in the margin of the comment letter. During the public review period 29 letters that identified environmental issues or questions were submitted to TRPA. In addition to these letters, four commenters (three project site residents and one commenter representing the Washoe Tribe of California and Nevada) provided oral comments during the February 13, 2008, TRPA APC public hearing, and 13 commenters (10 project site residents, one commenter from AMEC Infrastructure, Inc., representing the Kingsbury General Improvement District (KGID), and two commenters representing the University of Nevada 4-H Camp) provided oral comments during the February 28, 2008, TRPA Governing Board public hearing on the DEIS. A summary of each substantive public hearing comment is summarized and a response is provided in Table 3-2 below. Most environmental issues that were made at the public hearings were similar in character to comments submitted in writing.

In some instances, comments pertain to the merits of the project and not to the adequacy or content of the DEIS. These are generally policy considerations for TRPA decision-makers and are noted as such. Comments related to the DEIS analysis are responded to substantively. Some responses to comments may warrant modification of the text of the DEIS. In those cases, information that is to be deleted is shown in strikethrough (~~strikethrough~~) and additions are shown in underline (underline). Text changes resulting from comments and their accompanying responses have been incorporated into the original DEIS text, as indicated in the responses. All of these text changes result in insignificant modifications to the original DEIS text.

Table 3-2 Summary of Public Hearing Comments and Responses to Those Comments		
Commenter	Comment Summary	Response
PUBLIC COMMENTS AT THE FEBRUARY 13, 2008, TRPA APC PUBLIC HEARING		
Mike Ingenluyff, Resident	Housing data has been manipulated and cannot be used. Inflated and flawed rent data affects the level of housing mitigation that is required.	This comment was included in subsequent comment letters submitted by the commenter. Please see responses to Comment Letters Q and R.
Jan Christensen, Resident	Alternative D is the only option.	This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
	Aspen Grove Apartments that would be deed-restricted are old and degraded.	This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
	The tables in Section 5.2, “Housing and Population” (including Table 5.2-4), are skewed and cannot be used.	This comment was included in a subsequent comment letter submitted by the commenter. Please see response to Comment N-5.

**Table 3-2
Summary of Public Hearing Comments and Responses to Those Comments**

Commenter	Comment Summary	Response
	Site drainage ditch is a mosquito trail, not maintained well by County.	Page 5.13-7 of the DEIS recognizes that the existing drainage ditch located at the northern boundary of the project site has experienced stagnant water collection resulting in mosquito and nuisance vector breeding. Impact 5.13.A-5 addresses the increased risk of health hazards from vectorborne diseases. The project would continue to implement TRPA-approved mosquito abatement measures and therefore there would be no new risk of adverse health affects associated with mosquito control.
	Site has been degraded under the new and current ownership; converted from a mobile home community to trailer park.	This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
Monroe Friedling, Resident	Provided historical context on site and expressed frustration with rent increases.	This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
Waldo Walker, Chairman of the Washoe Tribe of Nevada and California	Concerned about cultural resources that are threatened across the meadow and protection of it.	Section 5.11, "Cultural Resources," includes a detailed historic background and setting discussion that includes an overview of Washoe history and a cultural resources inventory. The historical significance of Rabe Meadow is also discussed. The DEIS identifies that while no cultural resources were observed on the site, because of the proximity of the project to the ethnographic location of <i>Lom Wata</i> , there is the potential for the presence of intact prehistoric cultural remains in subsurface contexts, a concern that was expressed by the Washoe Tribe during DEIS preparation. Therefore, because of this potential, and in response to Washoe tribal concerns, mitigation has been included requiring that Washoe tribal members be notified at least 2 weeks in advance of ground-disturbing activities and invited to conduct archaeological monitoring during such activities. Measures are also included to protect any previously unknown archaeological resources discovered during project construction (see Impact 5.11.A-2).
	Questioned whether appropriate governmental consultations occurred.	The Native American consultation that occurred with the Washoe Tribe of Nevada and California is documented on page 5.11-8 of the DEIS. A letter from the Washoe Tribe dated August 26, 2005, is included as Appendix G of the DEIS.

Table 3-2
Summary of Public Hearing Comments and Responses to Those Comments

Commenter	Comment Summary	Response
COMMENTS AT THE FEBRUARY 28, 2008, TRPA GOVERNING BOARD PUBLIC HEARING		
Travis Lee, 4-H Camp Advisory Committee	University of Nevada 4-H Camp holds a small water right from Folsom Springs and wants to be sure that the water is not diverted for other use. Supports Alternative A.	Please see response to Comment I-3. This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
Bob Cook, Resident	Hobart Hole runs parallel with Nevada Beach, and is located where the proposed swimming area is located and the pier is located. The project would make fishing in Hobart Hole more difficult. Opposed to pier extension due to impacts on fishing.	This comment was included in a subsequent comment letter submitted by the commenter. Please see response to Comment P-1.
Jan Christensen, Resident	Use of Fannie Mae funds is inappropriate. They should be used for affordable housing. DEIS Tables 5.2-2, 5.2-3, and 5.2-4 are outdated. Where will residents go since they cannot sell their homes? Residents cannot move their homes; they are too old and no one will take them.	Please see response to Comment R-7. This comment was included in a subsequent comment letter submitted by the commenter. Please see responses to Comments N-3, N-4, and N-5. Please see responses to Comments L-1, M-9, and S-1.
Monroe Friedling, Resident	Vehemently opposes the project.	This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
Mike Newell, Resident	Obsidian rock is found all over the park; sample presented at meeting. Residents should be compensated for moving out and disposal of their homes; \$5,000 is not enough money for this.	Please see response to Comment CC-4. Please see responses to Comments L-1 and M-9.
Michael Faith, AMEC Chemical Engineer representing KGID	Identified that site includes a treatment plant and pumping station that supplies water for the entire Kingsbury Area. Identified that KGID is working closely with applicant to resolve issues.	This comment provides facts and information relative to KGID facilities and operations.
Dianne Carroll, Resident	Identified that residents will have to move into the valley to be able to afford a house of the same size as their mobile home. Residents have jobs in the Stateline Area and they would have to drive over the hill every day. Were the impacts related to these trips considered?	Please see response to Comment W-1.

Table 3-2
Summary of Public Hearing Comments and Responses to Those Comments

Commenter	Comment Summary	Response
	Where will residents go? There are only parks in North Reno accepting new mobile homes in Nevada.	Please see response to Comment S-1.
Frank Liberini, Resident	Everyone that has been able to pay the rent and stay in the park should be relocated fairly or given the value of their mobile home.	Please see responses to Comments L-1, M-9, and S-1.
Eric Olsen, 4-H Camp Board Member	Provided historical context of 4-H Camp and noted collaboration with project applicant and no opposition to project.	This comment provides facts and information relative to the 4-H Camp.
Ernie Bishop, Resident	Identified that the whole area is a swamp and that the site should be restored as a swamp and designated as a conservation area.	The concept of restoring the site to stream environment zone (SEZ) habitat and preserving it in perpetuity was an alternative that was considered by the project applicant and TRPA but rejected in the DEIS from further consideration (see Section 4.5.5, "Habitat Restoration Alternative," on page 4-16 of the DEIS). Because of the high cost of land, it was anticipated that it would be financially infeasible for the site to be purchased at market rate, restored to SEZ habitat, and preserved in perpetuity. Therefore, this alternative was rejected as infeasible. The project site is located in Nevada and not on lands eligible for California Tahoe Conservancy (Conservancy) acquisition.
June Jimenez, Resident	Identified shallow groundwater as an issue at the site.	Groundwater depths and ongoing monitoring at the site are discussed on pages 5.5-8 and 5.5-10 of the DEIS. Groundwater monitoring locations are shown in Exhibit 5.5-3. The impact analysis in Chapter 5.5, "Hydrology and Water Quality," addresses the potential to intercept the groundwater table during construction (see Impact 5.5.A-4). Measures are included to protect groundwater.
Karen Saunders, Resident	Where will residents go and how will they afford it? They cannot afford gas to commute from the Valley.	Please see responses to Comments L-1, M-9, and S-1.
	The carbon footprint does not include travel from relocation.	Please see response to Comment W-1.
Jack Weigland, Resident	Tahoe Verde is not accepting outside units. What relocation options do residents have?	Please see response to Comment S-1.
	Environmental impact reduction numbers are wrong and should be reviewed, checked, and verified.	This comment is general in nature and does not raise specific points about the adequacy of the DEIS.

SECTION A: STATE AGENCIES

JIM GIBBONS
Governor

STATE OF NEVADA



DEPARTMENT OF ADMINISTRATION

209 E. Musser Street, Room 200
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ANDREW K. CLINGER
Director

RECEIVED

FEB 07 2008

TAHOE REGIONAL
PLANNING AGENCY

February 1, 2008

Theresa Avance
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, NV 89449-5310

Re: SAI NV # E2008-300

Reference:

Project: DEIS for a Beach Club on Lake Tahoe - Douglas Co

Dear Theresa Avance:

Enclosed are comments from the agencies listed below regarding the above referenced document. Please address these comments or concerns in your final decision.


Division of State Lands

This constitutes the State Clearinghouse review of this proposal as per Executive Order 12372. If you have questions, please contact me at (775) 684-0209.

Sincerely,

A handwritten signature in cursive script, appearing to read "Krista Coulter".

Krista Coulter
Nevada State Clearinghouse

 To help protect your privacy, links to images, sounds, or other external content in this message have been blocked. [Click here to unblock content.](#)

Nevada State Clearinghouse

From: Skip Canfield **Sent:** Tue 1/29/2008 1:16 PM
To: Robert Nellis; Nevada State Clearinghouse
Cc: Charlie Donohue
Subject: RE: E2008-300 DEIS for a Beach Club on Lake Tahoe - Douglas Co -
Attachments:

Krista:

In regard to this project and official comments from the Nevada Division of State Lands, please see the message below from Robert Nellis, Supervisory Land Agent.

Skip Canfield, AICP

From: Robert Nellis
Sent: Friday, January 25, 2008 10:57 AM
To: Skip Canfield
Cc: Charlie Donohue
Subject: RE: E2008-300 DEIS for a Beach Club on Lake Tahoe - Douglas Co -

Skip,

My only comment would be that if any work is being performed below elevation 6229.1 they need to apply for a permit from State Lands.

Thanks,

Robert

From: Skip Canfield
Sent: Friday, January 18, 2008 9:17 AM
To: rnellis@lands.nv.gov; Charlie Donohue (cdonohue@lands.nv.gov); (eharrison@lands.nv.gov)
Cc: Jim Lawrence
Subject: FW: E2008-300 DEIS for a Beach Club on Lake Tahoe - Douglas Co -

Robert, Charlie and Liz...any comments?

-Skip

From: Nevada State Clearinghouse
Sent: Wednesday, January 02, 2008 9:58 AM
To: Skip Canfield
Subject: E2008-300 DEIS for a Beach Club on Lake Tahoe - Douglas Co -

NEVADA STATE CLEARINGHOUSE
Department of Administration, Budget and Planning Division
209 East Musser Street, Room 200, Carson City, Nevada 89701-4298
(775) 684-0209 Fax (775) 684-0260

TRANSMISSION DATE: 1/2/2008

Division of State Lands

Nevada SAI # E2008-300

Project: DEIS for a Beach Club on Lake Tahoe - Douglas Co

Follow the link below to download an Adobe PDF document concerning the above-mentioned project for your review and comment.

[E2008-300](#)

Please evaluate it with respect to its effect on your plans and programs; the importance of its contribution to state and/or local areawide goals and objectives; and its accord with any applicable laws, orders or regulations with which you are familiar.

Please submit your comments no later than Monday, February 25, 2008.

Use the space below for short comments. If significant comments are provided, please use agency letterhead and include the Nevada SAI number and comment due date for our reference.

Questions? Krista Coulter, (775) 684-0209 or clearinghouse@state.nv.us

____ No comment on this project ____ Proposal supported as written

AGENCY COMMENTS:

Signature:

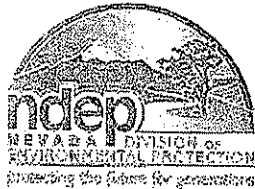
Date:

Distribution: Sandy Quilici, Department of Conservation & Natural Resources
Stan Marshall, State Health Division
Karen Beckley, State Health Division
Sherry Rupert, Indian Commission
Skip Canfield, AICP, Division of State Lands
Michael J. Stewart, Legislative Counsel Bureau
Alan Coyner, Commission on Minerals
D. Driesner, Commission on Minerals
Christy Morris, Commission on Minerals
John Walker, Nevada Division of Environmental Protection
Pete Anderson, Division of Forestry
Mike Dondero, Division of Forestry
Rich Harvey, Division of Forestry
Catherine Cuccaro, Department of Transportation
Anthony Grossman, Department of Wildlife, Director's Office
Roy Leach, Department of Wildlife, Fallon
Robert Martinez, Division of Water Resources
James D. Morefield, Natural Heritage Program
Steve Weaver, Division of State Parks
Mark Harris, PE, Public Utilities Commission
Rebecca Palmer, State Historic Preservation Office
Krista Coulter, zzClearinghouse
Reese Tietje, zzClearinghouse -Reese
Maud Naroll, zzClearinghouse-Maud

**Letter
A
Response**

Nevada Division of State Lands
Robert Nellis, Supervisory Land Agent
February 7, 2008

- A-1** This comment is introductory relative to transmittal of Nevada State Clearinghouse Department of Administration (NDOA) comments.
- A-2** The proposed pier reconstruction would require construction below an elevation of 6,229 feet. Tables 2-1 and 3-5 in the DEIS show that a lease agreement with Nevada Division of State Lands would be required.
- A-3** This is internal NDOA correspondence, requesting review of the DEIS.



STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor
Allen Siegel, Director
Leo M. Drozdoff, P.E., Administrator

February 29, 2008

Theresa Avance, AICP, Senior Planner
Tahoe Regional Planning Agency
PO Box 5310
Stateline, NV 89449-5310

Via Electronic Mail

RE: Beach Club on Lake Tahoe, Stateline, Douglas County, NV—Draft Environmental Impact Statement (EIS)

Dear Ms. Avance,

The Nevada Division of Environmental Protection, Bureau of Safe Drinking Water has reviewed the Beach Club on Lake Tahoe Draft EIS as it relates to drinking water. This project will impact the operation and maintenance of the Kingsbury General Improvement District (KGID) public water system during and after construction.

The Draft EIS does not fully address the potential impact to KGID. The report notes that waterlines will need to be re-routed and that buildings will be adjacent to the KGID surface water treatment plant. Currently, this treatment plant is the sole source of water for the approximately 2500 service connections supplied by KGID, and the proposed pier expansion is adjacent to the raw water intake supplying the treatment plant building. The integrity of the treatment process and distribution system is of utmost importance as a disruption of service at this site would impact the full KGID service area.

Potential impacts to the KGID water system are a significant part of this project that must be realized up front to ensure appropriate consideration and mitigation. The following items, while not a complete list of regulatory requirements, are of particular concern:

- 1) Potential short-term and long-term impacts from construction, drainage, and recreation to the turbidity and microbial contamination of source water at the drinking water intake. Please note that there are special regulatory thresholds for the water system to comply with in order to maintain filtration avoidance status.
- 2) Space for treatment plant expansion to add equipment needed to meet new regulatory treatment requirements. There are new treatment requirements under the Long Term 2 Enhanced Surface Water Treatment Rule that will require KGID to install additional treatment by 2014 and possibly expand the existing treatment plant building.
- 3) Ingress and egress for KGID staff and equipment to the treatment plant during and after construction.
- 4) Proper operation of utilities (e.g. power, telephone, radio) required to ensure continuous operation and maintenance of the treatment plant during and after construction.
- 5) Timing of construction and its potential to impact and disrupt the treatment plant.
- 6) Structural integrity of intake with pier expansion during and after construction.
- 7) Security of the treatment plant building and contactors.
- 8) Please note Nevada Revised Statute (NRS) 445A.895 subsection 7ⁱ with regards to exposure of future residents to ozone.



901 S. Stewart Street, Suite 4001 • Carson City, Nevada 89701 • p: 775.687.4670 • f: 775.687.5856 • www.ndep.nv.gov

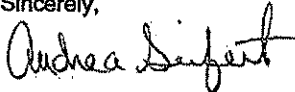
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This correspondence also serves as a reminder that the proposed project will include water system improvements that must be completed in accordance with NAC 445A.65505 through 445A.6731, inclusive. Per NRS 445A.920, plans and specifications must be submitted to NDEP for review and approval prior to construction. In approving plans and specifications, NDEP may require such modifications or impose such conditions as are necessary to carry out the provisions of NRS 445A.800 to NRS 445A.955, inclusive.

Impacts to the KGID water system are a significant part of this project that must be acknowledged to ensure proper planning and mitigation. If you need more information about what submittals are necessary or have any other questions, please contact our office at (775) 687-9521.

Sincerely,



Andrea Seifert, P.E.
Bureau of Safe Drinking Water

cc: Jason Kuchnicki, Supervisor, Bureau of Water Quality Planning
Gregory Reed, Operations Superintendent, KGID

¹ NRS 445A.895 Systems constructed after June 30, 1991: Conditions for issuance of permit. A permit to operate a water system may not be issued pursuant to NRS 445A.885 unless all of the following conditions are met:
7. If the water system uses or stores ozone, the portion of the system where ozone is used or stored must be constructed not less than 100 feet from any existing residence, unless the owner and occupant of each residence located closer than 100 feet consent to the construction of the system at a closer distance.
(Added to NRS by 1991, 401; A 1993, 2663; 1997, 1996; 2001, 549; 2008, 554)

- B-1** Potential impacts on KGID and its ability to continue to provide service at its current level are addressed in Section 5.3.2 of the DEIS.
- B-2** The project would comply with all Nevada Division of Environmental Protection (NDEP) standards during construction and would be in compliance with the construction storm water permit. As identified in DEIS Tables 2-1 and 3-5 and described in Impact 5.5.A-1, a storm water pollution prevention plan (SWPPP) would be prepared for all soil-disturbing activities related to project construction.
- It is expected that the current filtration avoidance status would be maintained as the project would reduce overall sediment loading in the vicinity of the water intake. Short-term construction-related impacts on the KGID drinking water intake would be mitigated through the required best management practices (BMPs) pursuant to TRPA Code of Ordinances Section 64.2 and the SWPPP described in Impact 5.5.A-1. Temporary construction and permanent BMPs are shown in Exhibits 5.5-4 and 5.5-5A through 5.5-5D of the DEIS and discussed in Impact 5.5.A-2 and Chapter 3, "Project Description."
- The long-term surface water impacts associated with the proposed project and other development alternatives would be reduced from current conditions, because the runoff volume would be reduced through the decrease in site coverage and the design and implementation of BMPs and drainage facilities that meet or exceed TRPA requirements, as described in Impact 5.5.A-2. As described on DEIS page 5.5-36, the KGID water supply intake manifold is located more than 360 feet beyond the endpoint of the proposed extended pier (see Exhibit 3-10), and any increases in boat activity in the vicinity of the project site related to a 50-foot increase in pier length would be nominal. Among the measures that are in place to protect water quality from boating activities are the limitation of four-stroke and direct fuel injection two-stroke engines, as well as the requirement that boaters conform with Chapter 81 of the TRPA Code of Ordinances, which prohibits discharge of wastewater (bilge water, human waste) to Lake Tahoe.
- B-3** Please see responses to Comments F-9 and F-16.
- B-4** KGID staff would be provided access to the pump station and water treatment facility during and after construction. Construction access roads would be open and available to KGID staff and the same rights of access would be granted to KGID at all times during and after construction.
- B-5** Construction activities would be performed during permitted hours (expected to be between 7:00 a.m. and 6:00 p.m.). KGID staff would be made aware of all work schedules, and would have access to their facilities during working hours and access through any locked gates or secured areas for activities performed after hours.
- During construction, it is anticipated that power and other service utilities may be temporarily interrupted. To maintain continuous service to the KGID pump station and water treatment facility (and other critical electrical services), temporary power or other utilities' patches would be provided to ensure no disruption of service to the pump station and water treatment facility and other critical electrical services. Utility infrastructure

would be upgraded as a result of project construction and would be equally reliable, or improved, compared to existing service.

The structural integrity of the KGID water intake line would be maintained during pier reconstruction and expansion activities. The current pier runs parallel to and is approximately 25 feet north of the existing water intake line (see Exhibit 3-10). Therefore, it is anticipated that the pile driving operations related to pier installation would be 25 feet away from the water intake line. As an additional safety measure, all activities would be coordinated with KGID and line location would be performed by project contractors, if necessary.

B-6 Security of the KGID pump station and water treatment facility building is addressed in Section 5.13, “Human Health and Risk of Upset,” of the DEIS. Project construction would be limited to permitted hours (expected to be between 7:00 a.m. and 6:00 p.m.), and KGID would be made aware of all work schedules. Contractors would not be permitted access to KGID’s pump station and water treatment facility.

B-7 Nevada Revised Statutes 445A.895, Subsection 7, requires that the portion of any new water system where ozone is used or stored be constructed not less than 100 feet from any existing residence, unless the owner and occupant of each residence located closer than 100 feet consent to the construction of the system at a closer distance. Under existing conditions, a mobile home unit is located approximately 100 feet from the eastern boundary of the KGID pump station and water treatment facility. The proposed project would move project residents farther from the KGID facility and no residences would be located within 100 feet of ozone-generating activities. With the proposed project, the closest residence would be located approximately 400 feet from the eastern boundary of the KGID facility and would be separated from the KGID facility by the proposed beach and swim club building.

B-8 The following changes have been made to the text of the DEIS to clarify that project plans and specifications are subject to NDEP review and approval before construction.

On page 2-3, Table 2-1 is revised as follows:

Table 2-1 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Douglas County	Site Improvement Permit	Grading and engineering work
Douglas County	Building Permit	Building architecture
Douglas County Sewer Improvement District	Sewer Permit	Authorization for sewer connections
Nevada Division of Environmental Protection	SWPPP	Activities related to soil disturbance; <u>project plans and specifications are also subject to review and approval before construction</u>
Kingsbury General Improvement District	N/A	Authorization for water connections
Nevada Division of State Lands	Lease Agreement	Pier construction or expansion
Tahoe Regional Planning Agency	TRPA Permits	Threshold attainment
U.S. Army Corps of Engineers	<u>Regional General Permit 16</u> SEZ Restoration	Discharge of fill materials in waters of the U.S.

Table 2-1 Required Permits and Reviews	
Reviewing Agency	Issue/Authority
Douglas County Sheriffs Department	Public safety
Tahoe Douglas Fire District	Fire safety
Nevada Department of Transportation	Traffic
Nevada Division of Wildlife	Wildlife
U.S. Fish and Wildlife Service	Wildlife
State Historic Preservation Office	Cultural resources
<i>Franchise Utilities</i> (Southwest Gas, Sierra Pacific Power, Charter Communications Cable, SBC Nevada Bell)	
SWPPP = storm water pollution prevention plan SEZ = stream environment zone	

On page 3-42, Table 3-5 is revised as follows:

Table 3-5 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Douglas County	Site Improvement Permit	Grading and engineering work
Douglas County	Building Permit	Building architecture
Douglas County Sewer Improvement District	Sewer Permit	Authorization for sewer connections
Nevada Division of Environmental Protection	SWPPP	Activities related to soil disturbance; <u>project plans and specifications are also subject to review and approval before construction</u>
Kingsbury General Improvement District	N/A	Authorization for water connections
Nevada Division of State Lands	Lease Agreement	Pier construction or expansion
Tahoe Regional Planning Agency	TRPA Permits	Threshold protection
U.S. Army Corps of Engineers	<u>Regional General Permit 16</u> SEZ restoration	Discharge of fill materials in waters of the U.S.
Reviewing Agency		Issue/Authority
Douglas County Sheriffs Department		Public safety
Tahoe Douglas Fire District		Fire safety
Nevada Department of Transportation		Traffic
Nevada Division of Wildlife		Wildlife
U.S. Fish and Wildlife Service		Wildlife
State Historic Preservation Office		Cultural Resources
<i>Franchise Utilities</i> (Southwest Gas, Sierra Pacific Power, Charter Communications Cable, SBC Nevada Bell)		
SWPPP = storm water pollution prevention plan <u>SEZ = stream environment zone</u>		

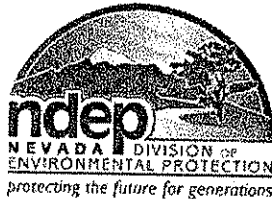
Theresa Avance

From: Jason Kuchnicki [jkuchnic@ndep.nv.gov]
Sent: Monday, March 03, 2008 3:37 PM
To: Theresa Avance
Cc: Kathy Sertic; Tom Porta; Charlie Donohue; Jim Lawrence; Allen Biaggi; Laurie Kemper
Subject: comments: Beach Club on Lake Tahoe EIS
Attachments: Microsoft Word - Tahoe Beach Club. EIS comments 3.3.08.pdf

Theresa, attached are my comments on the referenced document. Please call or email me if you have questions or need further clarification.

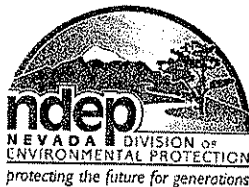
Thanks,

Jason



Jason Kuchnicki
Supervisor, Lake Tahoe Watershed Unit
Bureau of Water Quality Planning
Nevada Division of Environmental Protection
901 S. Stewart St., Ste 4001
Carson City NV 89701
p: 775.687-9450 f: 775.687-5856
www.ndep.nv.gov

3/3/2008



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor

Allen Biaggi, Director

Leo M. Drozdoff, P.E., Administrator

March 3, 2008

Theresa Avance, AICP, Senior Planner
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, NV 89449-5310

Dear Ms. Avance,

This letter is to provide comments regarding the adequacy of the information contained in the Draft Environmental Impact Statement (EIS) and the merits of the proposed project: Beach Club on Lake Tahoe. As an alternate representative to the Advisory Planning Commission, I was asked to provide comments. Thank you for this opportunity. Although the proposed project appears to have potential social, economic and environmental benefits, I have focused my review on the environmental aspects.

While the alternatives seem to represent a reasonable range of options for consideration, all are over the allowable parcel impervious coverage limit. Although the document indicates that best management practices (BMPs) will be implemented to detain and infiltrate runoff from the 20 year/1 hour storm (or larger), no analysis was included that doing so was viable. Because the proposed redevelopment is predominantly located within a stream environment zone (SEZ), infiltrating this volume of water may be quite challenging. If the analysis demonstrates a particular alternative is infeasible this should be noted, and the alternative(s) should be revised to ensure the ordinance will be met.

Although not discussed, each of the alternatives A-C appear to include large portions of turf. A potential water quality impact not identified or discussed was the leaching of fertilizers into the groundwater. Due to the high groundwater and proximity to the Lake, nutrients contained in fertilizers have the potential to discharge to the lake, fueling algal growth and contributing to the degradation of lake clarity and aesthetics. To mitigate this potentially significant impact, a fertilizer management plan should be developed concurrent with project design, certified by TRPA and be implemented upon project completion.

Alternatives A and C are expected to result in an increase of approximately 1001 and 685 vehicular miles travelled (VMT), respectively. These appear to be potentially significant impacts, but the EIS indicates they are less than significant and thus no mitigation is required. What are the criteria necessary for VMT impacts to be considered potentially significant/significant? Furthermore, VMT increases due to either alternative in combination with increases associated with related projects are identified as a potentially significant impact. However, no mitigation measures are proposed to address this cumulative impact. Why not?

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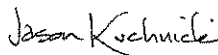
Short term emission of PM10 is identified as a potentially significant air quality impact (Impact 5.7.A thru C-1). However, the Lake Tahoe Total Maximum Daily Load (TMDL) project has identified atmospheric deposition to be a significant source of fine particulates - less than 20 microns- and phosphorous adsorbed to the particles' surfaces. Therefore, particularly due to the close proximity of the proposed project to the lake, short term emissions of these pollutants during construction activities should be addressed as a potentially significant impact on water quality. Implementation of the proposed mitigation measures should make this impact less than significant. However, please consider including the following management practices:

- ◆ Periodic street sweeping with PM 10-efficient vac trucks;
- ◆ Paving or graveling dirt roads at access points;
- ◆ Stockpiles of topsoil should be covered during periods of excessive wind speeds (>25 mph);
- ◆ Construction activities should be phased such that the area and extent of soil disturbance at any one time is minimized.

A mitigation measure for the introduction and spread of weeds (Impact 5.9.A thru C-5) is: "all equipment coming onto the project area from weed-infested areas or areas of unknown weed status attached soil or plant parts shall be cleaned of all attached soil or plant parts." I would tend to modify this language to a more general statement such that all equipment will be cleaned prior to its use, regardless of its origin. This is the most conservative approach to preventing the spread of invasive species.

Again, thank you for the opportunity to comment on this document. I would like to commend you, TRPA staff and the project proponents for delivering a proposal that appears to have quality environmental benefits. I hope these comments will help to further improve the EIS and alternatives for consideration. Please contact me at (775) 687-9450 or jkuch@nde4p.nv.gov if you have any questions or need clarification.

Best Regards,



Jason Kuchnicki
Supervisor, Lake Tahoe Watershed Unit

Cc: Kathy Sertic
Tom Porta
Charlie Donohue
Jim Lawrence
Allen Blaggi
Lauri Kemper

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C-1

As discussed in Impact 5.5.A-2, the proposed project (Alternative A) would result in a reduction of 82,507 square feet of coverage from the existing TRPA-verified coverage (457,959 square feet). The proposed stormwater treatment system would reduce surface runoff and associated erosion at the project site relative to existing conditions. Based on the preliminary technical drainage study prepared for the proposed project (Carter Burgess 2003) and follow-up calculations, the runoff currently produced by the project site is approximately 34.2 cubic feet per second (cfs) for the 10-year storm event and 74.5 cfs for the 100-year storm event. The proposed project (Alternative A) would generate 12.5 cfs for the 10-year storm event and 32.9 cfs for the 100-year storm event, reductions from current conditions of 36.5% and 44%, respectively. Before permit acknowledgment, the applicant would prepare and submit a final drainage report to TRPA prepared by a registered civil engineer that would confirm these results.

Extensive stream channel restoration and BMPs are part of the proposed project. These improvements have been coordinated and developed with input from the regulatory agencies. Impact 5.5.A-2 of the DEIS describes stormwater treatment for the proposed project; multiple-stage treatment of stormwater includes infiltration to areas primarily adjacent to and secondarily within the SEZ. Soils in these areas are well drained and have unsaturated thickness suitable for infiltration. This combination of BMPs has been demonstrated as a successful combination of stormwater treatment and infiltration that is effective in maintaining groundwater quality. The technical analysis of BMP effectiveness with respect to water quality treatment is presented in Tables 5.5-6 and 5.5-7 of the DEIS.

C-2

The conceptual site plans (e.g., Exhibit 3-4) show large green areas that represent vegetated and planted areas. The vegetation types are not specified, and at first glance could appear to be all turf areas. While the landscape plan has not been finalized, the majority of the landscape plants that would be used would be native and low-water-use varieties, as specified by TRPA standards. Turf areas would be minimal, and are expected to be less than the amount of turf areas on the project site today. In addition, a fertilizer management plan would be prepared for the final project to control the leaching of fertilizers into groundwater.

The following changes have been made to the text of the DEIS to highlight the inclusion of a fertilizer management plan for turf areas. On page 3-38, the following text has been added after Table 3-3 and before the heading "Tree Removal":

Lawn maintenance activities for the proposed project would involve the use of fertilizers and pesticides that would have the potential to flow off-site or leach into the groundwater, and ultimately the lake. A fertilizer management plan would be incorporated into the proposed project development plans that complies with Chapter 81, Section 81.7, of the TRPA Code of Ordinances. The plan shall include but not be limited to the following measures:

- ▶ During lawn maintenance, only chemicals and chemical application procedures that are lawfully permitted in the State of Nevada and by TRPA shall be used.

- ▶ Chemical applications shall be avoided in unpredictable weather where a storm may occur immediately after application.
- ▶ Grounds maintenance personnel shall act responsibly when applying chemicals, shall follow label directions, and shall know key chemical properties of applied chemicals.
- ▶ Setbacks shall be maintained between SEZ areas and managed turf.

- C-3** As described on page 5.6-3 of the DEIS and consistent with previous similar environmental analyses in the area, an increase of 2,000 vehicle miles traveled (VMT) is considered the standard for a significant impact. Because the project impacts on VMT over a busy summer day are lower than this criterion, no significant impact was identified. The increase in VMT, compared with the most recent estimate of existing basinwide VMT over a busy summer day, indicates that the proposed project would result in roughly a 0.06% increase in overall travel within the Tahoe Region.
- C-4** Emissions of particulate matter less than or equal to 10 microns in diameter (PM₁₀) are mitigated to the fullest extent recommended by TRPA. Mitigation Measure 5.7.A-1 specifically addresses those measures identified by the commenter. Mitigation Measure 5.7.A-1 limits grading activities during periods when winds are greater than 25 mph and requires that excavation and soil disturbance be minimized. Street sweeping is also required, but not with a vacuum-type system. TRPA has the discretion to require the use of street sweepers with a vacuum-type system as part of its approval of the dust control measures. Additionally, soil binders are to be applied to all nonpaved road surfaces.
- C-5** In response to this comment, the following changes have been made to the text of the DEIS. On page 5.9-32, the fourth bullet of Mitigation Measure 5.9.A-5 is revised as follows:
- ▶ Equipment shall be cleaned at designated wash stations after leaving invasive/noxious weed infestation areas. If deemed necessary, wash stations shall be identified by the resource specialists before construction activities begin in a particular segment and shall be approved by the agencies. All equipment coming onto the project area ~~from weed-infested areas or areas of unknown weed status~~ shall be cleaned of all attached soil or plant parts.
- C-6** The commenter's support for the environmental benefits of the project is acknowledged.

JIM GIBBONS
Governor

STATE OF NEVADA



DEPARTMENT OF ADMINISTRATION

209 E. Musser Street, Room 200
Carson City, Nevada 89701-4298
(775) 684-0222
Fax (775) 684-0260
<http://www.budget.state.nv.us/>

ANDREW K. CLINGER
Director

RECEIVED

MAR 14 2008

TAHOE REGIONAL
PLANNING AGENCY

March 7, 2008

Theresa Avance
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, NV 89449-5310

Re: SAI NV # E2008-300

Reference:

Project: DEIS for a Beach Club on Lake Tahoe - Douglas Co

Dear Theresa Avance:

Enclosed are additional comments from the following agencies regarding the above referenced document:

These comments were received after our previous letter to you. Please incorporate these comments into your decision making process. If you have questions, please contact me at (775) 684-0209.

Sincerely,

A handwritten signature in cursive script, appearing to read "Krista Coulter".

Krista Coulter
Nevada State Clearinghouse

Enclosure

Rebecca Palmer

From: Nevada State Clearinghouse [Clearinghouse@budget.state.nv.us]
Sent: Wednesday, January 02, 2008 9:58 AM
To: Rebecca Palmer
Subject: E2008-300 DEIS for a Beach Club on Lake Tahoe - Douglas Co -

<http://budget.state.nv.us/images/state_seal.jpg> NEVADA STATE CLEARINGHOUSE
Department of Administration, Budget and Planning Division
209 East Musser Street, Room 200, Carson City, Nevada 89701-4298
(775) 684-0209 Fax (775) 684-0260

DEPARTMENT OF ADMINISTRATION
OFFICE OF THE DIRECTOR
BUDGET AND PLANNING DIVISION

FEB 19 2008

RECEIVED

TRANSMISSION DATE: 1/2/2008

State Historic Preservation Office

Nevada SAI # E2008-300

Project: DEIS for a Beach Club on Lake Tahoe - Douglas Co

Follow the link below to download an Adobe PDF document concerning the above-mentioned project for your review and comment.
E2008-300 <<http://budget.state.nv.us/clearinghouse/Notice/2008/E2008-300.htm>>

Please evaluate it with respect to its effect on your plans and programs; the importance of its contribution to state and/or local areawide goals and objectives; and its accord with any applicable laws, orders or regulations with which you are familiar.

Please submit your comments no later than Monday, February 25, 2008.

Use the space below for short comments. If significant comments are provided, please use agency letterhead and include the Nevada SAI number and comment due date for our reference.
Questions? Krista Coulter, (775) 684-0209 or clearinghouse@state.nv.us
<<mailto:clearinghouse@budget.state.nv.us>>

☐ No comment on this project ☐ Proposal supported as written

AGENCY COMMENTS:

Rebecca Palmer 2/14/08

The SHPO reviewed the subject document and has the following comments:

On page 2-3 the document states that a U.S. Army Corps of Engineers permit may be needed for the completion of this undertaking. On page 5.11-1 of the subject document it states that there is no federal involvement in the proposed project. Please explain this apparent discrepancy with reference to the existing federal regulations that define federal undertakings as a project requiring a federal permit (36 CFR 800.16(y)).

If you have any questions concerning this correspondence, please contact me by phone at (775) 684-3443 or by E-mail at rlpalmer@clan.lib.nv.us.

**Letter
D
Response**

Nevada State Historic Preservation Office
Rebecca Palmer
March 14, 2008

D-1

The proposed restoration of approximately 2 acres of SEZ habitat would trigger the need for a Regional General Permit 16 from the U.S. Army Corps of Engineers because the restoration would affect waters of the United States. The need for this permit is highlighted in Tables 2-1 and 3-5 of the DEIS, and is discussed in Section 5.9, “Biological Resources.”

The discussion on page 5.11-1 of the DEIS stating that there is no federal involvement with the project is intended to reflect that there is no federal funding or action related to the proposed project that would trigger National Environmental Policy Act (NEPA) review.

SECTION B: LOCAL AGENCIES

Douglas County Sewer Improvement District No. 1
Wastewater Reclamation Plant

P.O. Box 578, Zephyr Cove, NV 89448
775-588-3558 • 775-588-1845 fax
wwtp@dcsid.com

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FEB 01 2008

TAHOE REGIONAL
PLANNING AGENCY

January 28, 2008

D0800-008
APN 07-090-060

Theresa Avance, AICP
Senior Planner
Tahoe Regional Planning Agency
PO Box 5310
Stateline, NV 89449

Subject: **Comments for Beach Club on Lake Tahoe Draft EIS
APNs 1318-22-002-001 and 1318-22-002-002**

Dear Theresa:

Enclosed are comments from the Douglas County Sewer Improvement District No. 1 (DCSID) on the Draft Environmental Impact Statement (EIS) for the proposed Beach Club development. The DCSID has performed a cursory review of the EIS, and believe there is significant concern regarding existing wastewater improvements and easements present in the project area, and issues of compliance with the DCSID's requirements.

The District has two major gravity sewers located within the project area, only one of which is discussed in the EIS. Flows from the lower Kingsbury area are transported to the Beach Pump Station in a gravity sewer aligned along Kahle Drive, then Arthur Drive, which is located in the Tahoe Shores Mobile Home Park. The other line services the casino core, aligning across Edgewood Golf Course, the University of Nevada 4-H Camp, and Tahoe Shores. The lines conjoin at manhole #310 in Tahoe Shores, and the combined flows then travel to the Beach Pump Station. The table below outlines easements held by the District for construction and maintenance of its sewers and access to the Beach Pump Station located north of the project area..

Table #1: DCSID Easements on APNs 1318-22-002-002 and 1318-22-002-001

APN	Book and Page*	Purpose
1318-22-002-002	895, 2725	Construction and maintenance of sewer line.
1318-22-002-001	890, 3637	Construct and maintain access road to Beach Pump Station.
1318-22-002-001	57, 677	Construct, maintain and access sewer line.

*Information from Douglas County, Nevada, Recorder's Office.

According to Exhibit 3-4, the Beach Club proposes to encroach on the District's sewers and easements. The Swim and Beach Club is located directly on top of the Edgewood line, and other buildings along the access road are located on or immediately adjacent to the District's Kahle line. The placement of improvements on top of the District's lines is not acceptable, as the District needs to be able to access

their sewer lines and manholes in their entirety. These structures will either need to be relocated, or the project's proponent can propose to the District to move the sewer lines. If any District facilities, including sewer lines or access roads, are altered, the developer must provide revised easements granting the District ingress and egress for maintenance of their lines and access to the Beach Pump Station.

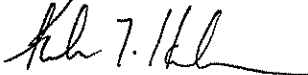
Mapping in the EIS depicts a line which is not identified in the legend (Exhibit 3-3), but is labeled, "to the Douglas County Sewer Improvement District Pump Station." If this is meant to represent the District's Kahle sewer line, it is inaccurate. All District wastewater facilities relevant to the environmental review process should be properly located and identified.

As necessitated by ordinance, the District will also require:

- An application and fee for connection to the DCSID. Credits for existing development may apply;
- A permit for abandonment of all structures that are connected to the existing sewer system;
- District review of all plans affecting their facilities, including relocation of the main sewer line and manholes, abandonment of sewer laterals throughout the project area, and relocation or modifications to the Beach Pump Station access, roads, easements, and fenced gate. The developer will be required to pay plan check fees.
- Sanitary sewer construction must be inspected and approved by the District. The developer will be required to pay inspection fees.
- Grease traps for all commercial kitchen connections;
- Water meters for commercial or commonly owned facilities which measure interior water use only and may not be the same as the water purveyor's meter;
- No commercial garbage grinders can be installed, as they are prohibited by ordinance; and,
- The Beach Club is responsible for maintenance of all sewer laterals.

For your additional information, we have enclosed a copy of the DCSID's ordinance and a map of area sewers.

Sincerely,



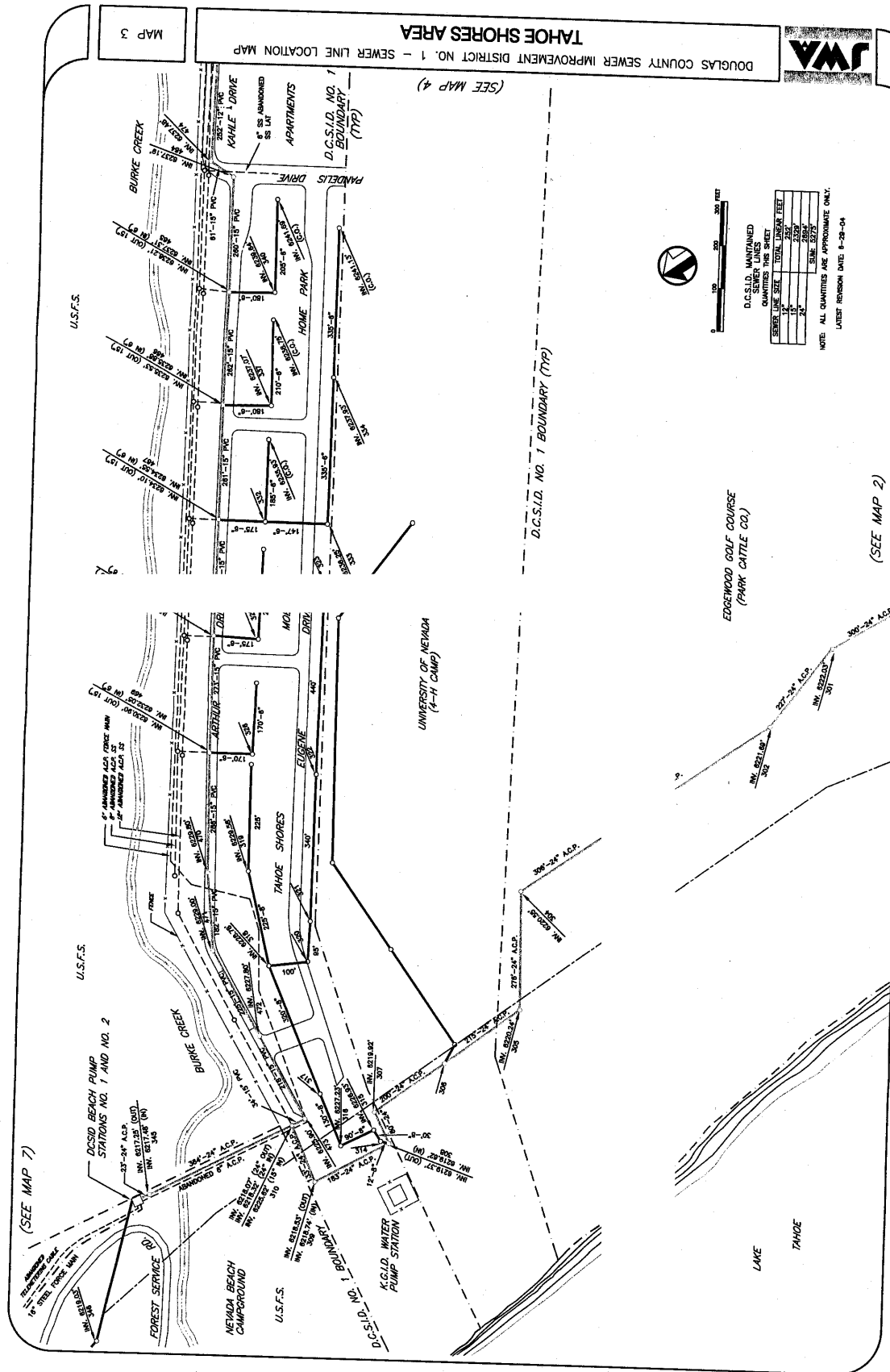
Kelvin Ikehara
District Manager

MEH/KI/jal

Enclosures

c: John Fults, DCSID
JWA Consulting Engineers, Inc.

S:\02\Jobs\08 jobs\D0800\008\D0800 Beach Club EIS Comments.wpd



ORDINANCE 2003-1

DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1

Adopted: April 18, 2003

Effective: April 30, 2003

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ORDINANCE 2003-1

AN ORDINANCE REGULATING THE INSTALLATION AND MAINTENANCE OF PRIVATE AND COMMUNITY WASTEWATER COLLECTION, TREATMENT, EXPORT AND REUSE SYSTEM IN DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1; PROVIDING FOR SEWER CONNECTIONS AND THE DISCHARGE OF SEWAGE INTO AND THROUGH THE SANITARY SEWERS OF SAID DISTRICT; PROVIDING FOR THE ISSUANCE OF PERMITS AND FIXING THE FEES THEREFORE; PROVIDING FOR PROCEDURES FOR ANNEXATION AND FIXING FEES THEREFORE; PROVIDING FOR THE RAISING OF ADDITIONAL FEES AND OTHER FUNDS TO MEET EMERGENCIES OR TO PROVIDE FOR CONSTRUCTION OF MODIFICATIONS AND IMPROVEMENTS; PROVIDING FOR REIMBURSEMENT OF EXCESS COSTS; PROVIDING FOR MAINTENANCE AND OPERATION CHARGES; PROVIDING FOR THE VIOLATION OF THE PROVISIONS OF THIS ORDINANCE; AND REPEALING ALL PRIOR ORDINANCES AND RESOLUTIONS IN CONFLICT HEREWITH.

The District Board of the Douglas County Sewer Improvement District No. 1, of Douglas County, Nevada, does ordain as follows:

ARTICLE I

DEFINITIONS

For the purpose of this Ordinance, the terms used herein are defined as follows:

- SECTION 1.01: APPLICANT is any individual, firm, partnership, company, corporation, association or governmental agency or any agent or other representative of the foregoing entities filing with the District Board an application for connection or annexation.
- SECTION 1.02: AVERAGE DAILY FLOW represents the load producing effects based upon an arbitrarily chosen scale related to type of use for determining capacity fees.
- SECTION 1.03: COMMERCIAL USER is defined as any connector discharging water carrying waste from any structure used other than as a dwelling. Commercial wastewater includes but is not limited to waste from hotels, motels, casinos, restaurants or laundries, or waste resulting from a commercial establishment, including washing and cleaning or drain water from such processes.
- SECTION 1.04: CONNECTOR is any person that connects any lateral to any District Sewer.
- SECTION 1.05: COUNTY is Douglas County, Nevada.

- 1 SECTION 1.06: DISTRICT is Douglas County Sewer Improvement
2 District No. 1, of Douglas County, Nevada.
- 3 SECTION 1.07: DISTRICT BOARD is the governing body of said
4 District.
- 5 SECTION 1.08: DISTRICT MANAGER is the person described in
6 Section 2.03 herein.
- 7 SECTION 1.09: DISTRICT SEWER is any sewer which is owned and
8 maintained by the District and serves more than
9 one lateral.
- 10 SECTION 1.10: DOMESTIC USER is defined as any connector
11 discharging water carrying human or kitchen waste
12 conducted away from a residence.
- 13 SECTION 1.11: INSTALLER is any person that installs sewers
14 within the District for connection to the District
15 sewer system.
- 16 SECTION 1.12: LATERAL is that portion of the property owner
17 sewer from the District sewer to the foundation of
18 the structure or the facilities to be served or to
19 be connected to serve a single property or owner.
20 This definition shall not apply to prior and
21 nonconforming uses.
- 22 SECTION 1.13: N.R.S. is referenced to the Nevada Revised
23 Statutes.
- 24 SECTION 1.14: OWNER is the owner in fee, or rightful occupant,
25 of any premises within the District.
- 26 SECTION 1.15: PARTICIPATING DISTRICTS. Any District within the
27 service area of Douglas County Sewer Improvement
28 District No. 1 and its wastewater facilities.
- SECTION 1.16 PERSON is any individual, firm, partnership,
company, corporation, association or governmental
agency.
- SECTION 1.17: PREMISE is any lot, parcel of land, building, or
establishment.
- SECTION 1.18: RESIDENTIAL USER is an occupant of any single
family dwelling or multiple residential dwelling
unit.
- SECTION 1.19: SEWER consists of the pipes which transport
sewage.

1 valves, tanks, basins, reservoirs, buildings,
2 works, machinery, the treatment plant and all
3 other facilities and appurtenances necessary for
4 the collection, treatment, export and reuse of
wastewater emanating from the service area of
District.

5 SECTION 1.21: STREET is any public highway, road, street,
avenue, alley way, easement or right of way.

6 SECTION 1.22: TITLE refers to the title of this Ordinance
7 which shall be Ordinance 2003-1 for Douglas County
Sewer Improvement District No. 1.

8 SECTION 1.23: USER is any owner, renter or occupant of any
9 premise connected to a Sewer.

10 SECTION 1.24: WATER SYSTEMS consist of the pipes, pumps, valves,
11 tanks, treatment works and all other facilities
and appurtenances necessary for the treatment and
distribution of potable water.

12 SECTION 1.25: WILL-SERVE LETTER is a letter from the District
13 to a potential applicant stating the District's
14 intent to provide sewer service subsequent to an
application being filed on terms and conditions
set forth therein.

15 ARTICLE II

16 GENERAL PROVISIONS

17 SECTION 2.01: RULES AND REGULATIONS. These rules and regula-
18 tions providing for the construction and use of
19 District sewers and laterals and the issuance of
permits by the Douglas County Sewer Improvement
District No. 1 of Douglas County, Nevada, are
20 hereby adopted and all matters with respect
thereto shall be performed as herein specified and
21 not otherwise. Nevertheless, the District Board
expressly reserves the right to liberally
22 interpret this Ordinance and all subparts hereof
in order to fully effectuate the best interests of
23 the District.

24 SECTION 2.02: PURPOSE. This Ordinance is intended to provide
25 certain minimum standards, provisions and
requirements for the District sewers and laterals
26 hereafter installed, altered or repaired; and,
also, to provide for the issuance of permits and a
27 penalty for violations of the provisions thereof.
It shall also provide for annexation, the manner
of calculation and payment of fees and costs and
28

1 all other matters properly relating thereto. This
2 Ordinance shall not apply retroactively, and, in
3 the event of alterations or repairs hereafter
4 made, it shall apply to the procedures used
5 therewith.

6 It is expressly the intent of the District to
7 comply with applicable federal, state and local
8 laws to insure that the distribution of the
9 operation and maintenance costs of the treatment
10 plant shall be equitably spread among all users
11 within the District.

12 SECTION 2.03: DISTRICT MANAGER. There is established the
13 position of District Manager, who shall be
14 appointed by and hold office at the pleasure of
15 the District Board. His duties shall be as
16 prescribed by said Board, by contract and by this
17 Ordinance.

18 SECTION 2.04: CONTRACTOR'S LICENSE. Except as provided in
19 Section 2.05 hereof and in case of clear
20 emergency, it shall be unlawful for any person
21 to install or construct any District sewer or
22 lateral, make connections to any District sewer or
23 to perform any work or improvement on the
24 wastewater treatment works or its appurtenances,
25 who is not licensed under the State Contractor's
26 License Law (Chapter 624 of N.R.S.) of the State
27 of Nevada. All such contractors must register
28 with the District Manager prior to commencing or
carrying out any such work within the District in
order to insure compliance with the foregoing.

SECTION 2.05: CONTRACTOR'S BOND AND INSURANCE. Contractors may
be required to file a certificate of insurance
with the District showing adequate public
liability and property damage insurance, and
workman's compensation coverage and may be
required to carry adequate bonds covering
performance and payment for labor and materials in
amounts specified by the District Board to insure
the protection of the District, its officers,
employees and agents.

SECTION 2.06: ROAD EXCAVATION PERMITS. No excavation shall be
made which may affect the pipelines or
appurtenances of the District's sewerage system in
any State highway, County road, or other public
roadway in the District unless and until a road
excavation permit is issued therefore.

Application for said permit shall be made at the
office of the appropriate authorities.

LAW OFFICE OF
MILTON MANOUKIAN, ESQ.
10135 DONNER PEAK DRIVE
RENO, NEVADA 89511
(775) 829-4434

- 1 SECTION 2.07: CONSTRUCTION. All construction shall be in
2 accordance with the plans and specifications
approved by the District.
- 3 SECTION 2.08: OWNERSHIP OF LINES. The District will not accept
4 or maintain any sewer to which it does not have
5 full and complete title at the time of rendering
such services.
- 6 SECTION 2.09: TRENCHES - INSPECTIONS. All trenches shall be
7 left open and all laterals must be left uncovered
8 for inspection until after the inspection has been
9 made and the pipe installation accepted by a
representative of the District. Upon approval
after such inspection, trenches shall be
backfilled without delay and the street restored
to its original condition.
- 10 SECTION 2.10: BARRIERS AND LIGHTS. Installer and/or connector
11 shall maintain such barriers, lights and signs as
12 are necessary to give warning to the public at all
13 times during construction and of any dangerous
14 condition to be encountered in consequence
thereof. Installer shall likewise protect the
public in the use of walkways against any such
conditions in the conjunction with the
construction of District sewers or laterals.
- 15 SECTION 2.11: INSPECTION - PREVIOUS NOTICE. In all cases when
16 any inspection is required, not less than twenty
17 four (24) hours notice shall be filed in the
office of the District Manager stating the time
when the work will be sufficiently advanced for
inspection.
- 18 SECTION 2.12: RESPONSIBILITY FOR DEFECTS. Any person performing
19 or permitted to perform work under this Ordinance
20 shall be held strictly responsible for any and all
21 acts of agents or employees in connection with
22 said work. Upon being notified by the District of
23 any defect arising therefrom in any sewer or of
any violation of the provisions of this Ordinance,
the person responsible for said work shall take
immediate steps to correct such defect or
violation.
- 24 SECTION 2.13: CONDEMNED FACILITIES shall be defined as including
25 any facilities deemed by the District to be
26 incapable of carrying wastewater in a safe,
27 healthy and efficient manner. In case any sewer
work is inspected and any portion thereof
condemned by the District, a written notice to
that effect shall be given informing the owner of
- 28

the premises, or the agent of such owner, to make repairs necessary to place the sewer in satisfactory condition or to replace, or in the judgment of District, remove such facilities.

SECTION 2.14: LIABILITY. The District, its officers, employees and agents shall not be answerable for any liability for personal injury or loss of life or damage to any property consequent to the performance of any of the herein described work by any such applicant. The applicant shall save and hold harmless the District, its officers, employees and agents from any such liability imposed upon the District, its officers, employees, and agents including all costs, expenses, fees and interest incurred in legal defense or in the enforcement of work or any failure which may develop therein.

SECTION 2.15: CONDITIONS. The Board of Directors reserves the right to impose reasonable conditions on any permit granted hereunder.

SECTION 2.16: EXPIRATION OF PERMITS AND WILL-SERVE LETTERS. Any permit or will-serve letter issued under this Ordinance shall expire and become null and void unless work pursuant thereto shall be commenced or diligently pursued within one (1) year of the date of issuance.

ARTICLE III

DISTRICT SEWERS

SECTION 3.01: APPLICATION FOR PERMIT. Application for permission to construct a sewer in the District shall be made to the District Manager. Approval for the design, specifications, methods of construction, and inspection of the sanitary sewerage facilities to be installed remains with the District. Installer's proposed sewerage system must conform to the Sewerage System Master Plan for the general area as established by the District.

SECTION 3.02: CONSTRUCTION BY THE DISTRICT. When sewers are constructed by District on behalf of the connector or installer at the direction of the District, the work shall proceed in accordance with written plans and specifications which shall include payment provisions as prescribed by the District in accordance with this Ordinance.

1 SECTION 3.03: CONSTRUCTION BY INSTALLER OR CONNECTOR. The
2 following requirements shall be met prior to
3 approval by the District of any sewer extension
4 project which is to be constructed by persons
5 other than employees or contractor of the
6 District.

7 A. Installer or connector shall furnish the
8 District with a plan and profile of the
9 streets wherein the sewers are to be
10 constructed and a map showing the topography
11 of the land to be served. Installer or
12 connector may prepare his own plans and
13 specifications, call for his own bids, and
14 let his own contract, but he shall not let
15 any such contract until after receiving
16 written approval of plans and specifications
17 for the work by the District; nor shall he
18 permit the work to proceed until after
19 arrangements have been made for inspection of
20 the work by the District.

21 B. Installer or connector shall pay in advance
22 all connection fees due and necessary plan
23 checking and inspection fees, and the
24 District shall have the right to charge and
25 the installer shall pay the standard
26 engineering fees charged by District for
27 such work as may be done by the District.

28 SECTION 3.04: REFUNDS. In the event of cancellation of a
project for extension of sewers for any reason,
connector or installer may apply for and the
District Board may, in its discretion, grant a
refund of any fees or deposits previously paid by
installer. In such event, The District shall
deduct from such refund that amount which the
District Board determines to be proper in order to
recompense the District for costs incurred by it
in connection with said project.

SECTION 3.05: EXCESS COSTS; REIMBURSEMENT THEREOF. Excess costs
shall equal the cost of the facilities which, in
the judgment of the District Board, are not
necessary to serve the property of installer.
The installer shall be required to fund the full
cost of any increase in size of any facility to
the extent that such increase in size is required
solely to service other lands owned or to be later
later developed by the same or another party or
owner in the same manner as if all the property
were being developed at the same time.

1 A. A special study of the project shall be made
2 by the District and a report including the
3 following items shall be prepared for
4 consideration by the District Board:

- 5 (1) Impact on the existing collection and
6 treatment system.
7 (2) Impact on costs of operation.
8 (3) Revenue potential of the project.
9 (4) Special considerations as deemed
10 pertinent.

11 Prior to the installation of sewerage
12 facilities requiring oversizing, a
13 reimbursement agreement, in accordance
14 herewith, shall be approved by the District.

15 B. A map shall be prepared and adopted by the
16 District Board delineating those areas which
17 reasonably can be expected to contribute to
18 reimbursement for the project. Once approved
19 by the District Board, said maps shall be
20 attached to and become a part of any
21 reimbursement contract covering the project.

22 SECTION 3.06: TERMINATION OF RIGHT OF REIMBURSEMENT. The
23 installer shall be entitled to reimbursement
24 until one of the following shall occur:

- 25 A. Reimbursement of an amount equal to the
26 reimbursement due.
27 B. The lapse of 10 years from the date of the
28 reimbursement contract.
C. Abandonment of said sewer lines, or of the
property sewered thereby, from said District.

Upon the occurrence of condition B above, the
District shall succeed to the reimbursement credit
of the installer and shall be entitled to all
payments due thereon until the total excess cost
therefore has been disbursed.

ARTICLE IV

CONSTRUCTION OF LATERALS

SECTION 4.01: APPLICATION FOR PERMIT. Application for the
construction or abandonment of laterals shall be
made to the District Manager, who shall issue
permits and conditions of construction therefore

1 in accordance with the rules and regulations of
2 this Ordinance.

3 SECTION 4.02: SEWER CONNECTION. In the application for a permit
4 to connect a lateral to a sewer, the applicant of
5 the property to be served or the contractor
6 representing the applicant shall advise the
7 District of the location of such connection and
8 extent of such work and shall state the time and
9 day upon which such work shall be commenced.
10 There shall be no deviation from the application
11 as approved, except by prior written approval of
12 the District Manager.

13 SECTION 4.03: PERMIT ISSUANCE FEES AND DEPOSITS. The applica-
14 tion must be approved before work is commenced.
15 The District Manager is authorized and directed
16 hereby to collect all fees, deposits and service
17 charges which, by the provisions of this
18 Ordinance, are payable by the connector on or
19 before the delivery of the permit to the
20 connector.

21 SECTION 4.04: SEWAGE BACKFLOW PROTECTIVE DEVICES. Due to the
22 topographical characteristics of certain areas
23 within the District, there exists the danger of
24 damage to health and property resulting from the
25 possibility of sewage overflow and back-flooding
26 on public and private property. It is the purpose
27 of this provision to protect the health and safety
28 of the residents of the District and to minimize
the possibility of damage to property, by
requiring, where topographical conditions
warrant, the installation and maintenance of an
approved sewage backflow protective device.

A. Where the surface elevation of the nearest
sewer structure capable of overflow and
relief of pressure (i.e., manhole, flushing
inlet) is higher than the elevation of the
lowest floor containing drainage plumbing
connected or to be connected to the
District's sewer, there shall be installed
and kept in operable condition at all times
by the owner at his sole cost and expense, a
sewage backflow protective device.

B. All sewage backflow protective devices shall
be located in the manner, and meet the
requirements prescribed, in the District's
Design Standards.

- 1 C. Installation of such sewage backflow
2 protective devices shall be under the
3 supervision and inspection of the District
4 Manager or agent.
5
6 D. On or after the effective date hereof, it
7 shall be unlawful for an owner to maintain
8 any lateral connection to the sewer without
9 an approved sewage backflow protective
10 device as required by the provisions of this
11 Ordinance.

12 SECTION 4.05: METERING OF SEWER FLOWS. Any commercial user who
13 connects any lateral to any sewer shall install a
14 water meter or other measuring devices as required
15 by the District. The measuring devices shall
16 be located in order that they shall measure all
17 of the water used by the establishment, except for
18 water used on outside irrigated areas. Such
19 measuring devices shall be installed in locations
20 as to be readily and easily accessible for
21 periodic reading by District representatives. The
22 measuring devices shall read in gallons and be
23 weather protected in a box, manhole, shed, or
24 other suitable structure. Installation, type and
25 capacity of devices shall be approved by the
26 District Manager. The purpose of the installation
27 of the measuring devices is to provide a method of
28 measurement of the water usage by the
establishment which is discharging sewage into
the District sewer. No reduction for any
unmetered flow shall be allowed. The cost of
the measuring devices and the installation thereof
shall be charged to and paid by the owner. Where
installed, measuring devices shall be maintained
by the owner, at his expense, in continuously
efficient operation at all times. Maintenance
shall include periodic testing of devices which
may be utilized by the District. Upon
notification by the District of the necessity to
replace or repair devices, they shall be so
repaired or replaced within sixty (60) days by the
owner.

ARTICLE V

USE OF PUBLIC SEWERS

25 SECTION 5.01: PERMIT REQUIRED. Permits to discharge into the
26 District sewers anything but domestic sewage
27 will only be granted in accordance with, and in
28 consideration of, the conditions of this Ordinance
and shall be subject to reasonable rules,

1 regulations and requirements. No person shall
2 discharge or cause to be discharged any
3 substances, materials, waters, or wastes if such
4 can harm either the sewer collection system, the
5 treatment process or equipment, have an adverse
6 affect on the sewerage system, cause the District
7 to violate the discharge requirements established
8 by the Division of Environmental Protection, or
9 can otherwise endanger health, safety, public
10 property, or constitute a nuisance.

11
12 SECTION 5.02: TYPE OF SEWAGE. Except as hereinafter provided,
13 no person shall discharge or cause to be
14 discharged any of the following described waters
15 or wastes to any District sewer:

- 16
17 A. Any gasoline, benzene, naphtha, motor oil,
18 fuel oil, or other flammable or explosive
19 liquid, solid or gas.
20
21 B. Any garbage, except from residential users.
22 The use of commercial garbage grinders is
23 expressly prohibited.
24
25 C. Any ashes, cinder, sand, mud, straw,
26 shavings, metal, glass, rags, feathers, tar,
27 plastics, wood, manure, whether in solid
28 state or in solution or any other viscous
substance capable of causing obstruction to
the flow in sewers or other interference with
the proper operation of the sewerage system.
D. Any waters or wastes having a pH (a
measurement of alkalinity and acidity of
sewage) lower than 5.5 or higher than 9.0
or having any other corrosive property
capable of causing damage or hazard to
sewers, structures, equipment, and personnel
of the sewerage system.
E. Any waters or wastes containing suspended
solids of such character and quantity that
unusual attention or expense is required to
handle such materials at the wastewater
treatment plant.
F. Any waters or wastes containing a toxic or
poisonous substance in sufficient quantity to
injure or interfere with any sewage
treatment process, constitute a hazard to
humans or animals, or create any hazard in
the receiving waters of the wastewater
treatment plant.

- 1 G. Any noxious or malodorous gas or substance
2 capable of creating a public nuisance.
- 3 H. Substances which are not biodegradable.
- 4 I. In no event shall any user discharge any
5 substance into the District's system in
6 concentrations greater than the currently
7 acceptable standards promulgated and adopted
8 by the Nevada Division of Environmental
9 Protection or any other regulatory agency
10 having jurisdiction thereof as shall from
11 time to time be provided for in the future.
- 12 J. No person shall discharge or cause to be
13 discharged any storm water, surface water,
14 groundwater, roof runoff, or subsurface
15 drainage to any District sewer with the
16 exception of washdown pads used for garbage
17 container storage and cleaning. Any open
18 washdown pad shall not exceed 300 square feet
19 of area that will drain to the sewer. The
20 washdown pad must discharge to an approved
21 grease and oil interceptor.

22 SECTION 5.03: QUALITY OF SEWAGE. The discharge into the
23 public sewers of any waters or wastes having
24 any of the following characteristics shall
25 first be subject to the review and approval
26 of the District Board:

- 27 A. A 5-day Biochemical Oxygen Demand
28 (BOD herein) greater than 300 MG/L; or
- B. Containing more than 300 MG/L of
suspended solids; or
- C. Containing more than 100 MG/L of fat,
oil or grease; or
- D. Containing any quantity of substances
having the characteristics described
in Section 5.02, of this Article.

SECTION 5.04: PRELIMINARY TREATMENT; INTERCEPTORS. Where
necessary in the opinion of the District Manager,
the connector shall provide, at his expense, such
preliminary treatment as may be necessary to
reduce objectionable characteristics or
constituents to within the maximum limits provided
for in Section 5.03, of this Article.

Grease and oil interceptors shall be provided in all commercial food establishments where food is prepared and the washing of dishes, pots and pans, utensils and food containers occurs. Sand and oil interceptors shall be required for the proper handling of liquid wastes containing grease, oils, fuels, sand or other harmful substances from a commercial establishment. Private residences are exempt from these requirements. All interceptors shall be located so as to be readily and easily accessible for cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of substantial construction, water tight and equipped with easily removable covers, and shall be effectively trapped and vented. Where installed, all grease, oil and sand interceptors shall be maintained by the connector, at his expense, and in continuously efficient operation at all times. Plans, specifications and any other pertinent information relating to proposed preliminary treatment facilities shall be submitted for the approval by the District, the Nevada State Health Department and the Douglas County Building Department and no construction of such facilities shall be commenced until said approval is obtained in writing.

SECTION 5.05: CONTROL MANHOLE. When required by the District, the owner shall install, at his expense, a suitable control manhole in the portion of the lateral located on private property to facilitate observation, sampling and measurement of the wastes. Such manhole shall be accessible and safely located, and shall be constructed in accordance with plans approved by the District.

SECTION 5.06: SPECIAL PERMITS.

- A. No statement contained in this article shall be construed as preventing any special agreement or arrangement between the District and any connector whereby a waste of unusual strength or character may be accepted by the District for treatment, subject to payment therefore by the person or entity involved.
- B. No owner or user of a water system shall permit or allow return flow, such as treatment system backwash following its use, to the District's system without first

obtaining a permit from the District defining and limiting the terms thereof.

SECTION 5.07: PRECAUTIONS AGAINST ENTRY OF UNAUTHORIZED MATERIALS TO SEWER. Any physical connection to a District sewer or to a lateral connected to a District sewer, from vessels, tanks or containers receiving any of the hereinbefore mentioned material and substances from which quantities of the aforesaid prohibited materials or substances could accidentally be discharged directly or indirectly into the District sewers is prohibited.

SECTION 5.08: DISTRICT PERSONNEL AUTHORIZED TO INSPECT PREMISES. The District Manager and other duly authorized employees and agents of the District, bearing credentials and identification, shall, in all cases affected by this Ordinance, be permitted to enter upon all properties for the purpose of (1) determining the size, depth, location and condition of any sewer or storm drain connection, (2) determining the location of discharge connection of roof and surface drains and plumbing fixtures, (3) inspecting, observing, measuring, sampling and testing the quantity, consistency and characteristics of water and wastes being discharged into any public sewer or natural outlet, and (4) inspect, observe, test and measure, or to take any other steps deemed necessary to insure compliance with the intent and purpose of this Ordinance.

SECTION 5.09: SAMPLING AND TESTING. All measurements, tests, and analyses of characteristics of waters and wastes to which reference is made in this Ordinance shall be determined in accordance with the latest adopted edition of "Standard Methods for the Examination of Water and Wastewater" published jointly by the American Public Health Association, the American Water Works Association, and the Water Environment Federation, and shall be performed upon suitable samples taken at the control manhole. In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the public sewer to the point at which the building sewer is connected. Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the sewerage system and to determine the existence of any hazards.

1 SECTION 5.10: ADDITIONAL CHARGES. The District hereby reserves
2 the right to levy a surcharge against any owner or
3 user for failing to meet the minimum requirements
4 of this Ordinance after notice therefore and
5 failure, refusal or neglect so to do. The amount
6 so levied shall be that sum required to treat,
correct or manage the deficiency in compliance
herewith and shall be levied as a special
assessment and collected by Douglas County as with
all other levies of assessments hereunder.

7 ARTICLE VI

8 PROCEDURE AND FEES

9 SECTION 6.01: PROCEDURE FOR FILING AND PROCESSING APPLICATIONS
10 FOR CONNECTION TO THE DISTRICT'S SYSTEM. Each
11 applicant shall submit formal written application
12 for connection to the District's system to the
13 District Manager. Each application shall be
14 accompanied with an application fee and one (1)
15 set of plans, showing a plot plan of the parcel
16 proposed to be developed, together with a legal
17 property description therefore and a map showing
18 the topography of the land to be served, the type
19 and number of all fixtures and facilities to be
connected to the sewer, the proposed water meter
type and location and housing therefore; the type
and size of all major improvements, including, but
not limited to the following: Number of hotel
rooms and bedrooms; the elevation of the lowest
connection to the District's main sewer or trunk
sewer, based upon United States Geological Survey
datum; and plans for construction of all sewer
facilities. Additional pertinent information
shall be submitted upon request by the District.

20 The District Manager will then review the
21 application and evaluate the estimated flows to
22 emanate from the proposed development. The
23 District Manager shall then compute the following
24 fees to be made payable to the District, if
25 applicable: Plan Checking and Inspection fee;
26 Capacity fee; Reimbursement fees; and Annexation
27 fee. In addition, the District Manager shall
28 review the plans for improvements, to insure
conformity with this Ordinance.

All commercial and multiple residential projects
may require Board of Director's review and
approval. All other applications shall be
handled administratively by the District Manager.

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Installer may prepare plans and specifications, call for bids, and let contracts, but shall not let any such contract until after receiving approval of the plans and specifications for the work by the District; nor shall work be permitted to proceed until arrangements have been made for inspection of the work within the District.

SECTION 6.02: APPLICATION FEE. Application fees shall be as follows:

A. Single family dwellings

- | | |
|---------------------|----------|
| 1. New construction | \$100.00 |
| 2. Remodel | \$ 50.00 |
| 3. Abandonment | \$ 50.00 |

B. Multiple housing

- | |
|------------------------------------------------------------------------------------------------------------------------------|
| 1. New Construction - \$100.00 for the first unit and \$25.00 for each additional unit, not to exceed a total of \$1,000.00. |
| 2. Remodel - Same as New Construction. |
| 3. Abandonment - \$250.00 |

C. Commercial, subdivision or other large developments

- | | |
|---------------------|------------|
| 1. New Construction | \$1,000.00 |
| 2. Remodel | \$ 100.00 |
| 3. Abandonment | \$ 250.00 |

SECTION 6.03: PLAN CHECKING AND INSPECTION FEE. All applicants, connectors and installers shall pay the District a Plan Checking and Inspection fee. The amount of this fee shall be determined by the District Manager and shall be set at an amount which will reimburse the District for any expense it may incur in connection with checking plans, specifications and inspections.

SECTION 6.04: CAPACITY FEE. All applicants, connectors and installers shall pay the District a capacity fee in the sum of two (\$2.00) dollars for each gallon per day of the estimated average daily flow. Average daily flow shall be determined as follows:

Single Family Housing. For each house, 2 bedrooms or less: average daily flow, 300 gallons per day. Add for each bedroom over 2, 100 gallons per day.

Multiple Housing. For each unit, 2 bedrooms or less: average daily flow, 250 gallons per day, Add for each bedroom over 2, 75 gallons per day. Add for accessory areas: See fixture unit values below.

Hotel or Motel Developments. For each room, average daily flow, 100 gallons per day. Add for accessory areas: See fixture unit values below.

Public and Accessory Areas. Shall be defined to include restaurants, lounges, theaters, commercial office developments, other public areas and any other development complex not specifically referred to hereinabove. See fixture unit values below.

Fixture Unit Values. Fixture unit values shall be determined from the following schedule:

FIXTURE	PRIVATE* FIXTURE UNITS	PUBLIC** FIXTURE UNITS
Bathtub (with or without shower)	3	-
Bidet	1	-
Dishwasher	2	4
Drinking Fountain (per head)	-	0.5
Laundry Sink	2	4
Lavatory	1	2
Shower (per head)	3	5
Sink (bar)	2	2
Sink (commercial)	-	3
Sink (washup, per set of faucets)	-	2
Urinal	-	5
Water Closet (flushometer valve)	4	6
Floor Drain	-	0.25

* Private shall mean exclusive use by four or less persons, such as a private dressing room or a private office.

** Public shall mean use by the general public or employees of a business establishment.

Fixtures not listed above will be estimated as follows:

Trap Size	Fixture Units
1-1/4 inch (31.8 mm)	1
1-1/2 inch (38.1 mm)	3
2 inch (50.8 mm)	4
3 inch (76.2 mm)	6
4 inch (101.6 mm)	8

For continuous or semi-continuous flow into a drainage system, such as from a pump, air conditioning equipment or similar device, each gallon per minute of flow shall be equivalent to two (2) fixtures units.

For connection and/or fixture unit values not included in the schedules above, the District Manager shall establish quantities of flow and/or fixture unit values.

For each fixture unit, the average daily flow is 80 Gallons per Day.

Fixture units may be credited toward remodels or rebuilds after demolitions that are rebuilt in the District.

SECTION 6.05: ANNEXATION FEE. There is hereby levied and assessed upon each property annexing to the District, in addition to the regular Capacity fee and other fees required by this Ordinance, an Annexation fee equal to the sum of:

- A. \$150 per acre or fraction thereof, apportioned to each individually owned parcel being annexed.
- B. An amount computed by multiplying the assessed valuation at the time of annexation of the lands and improvements of the properties being annexed by the sum of the tax rate of the District for each fiscal year between July 1, 1969, and July 1, 1995, said sum being \$12.91 per \$100 of assessed valuation.

1 C. An amount computed by multiplying the
2 assessed valuation at the time of annexation
3 of the lands and improvements of the
4 properties being annexed by the sum of the
5 tax rate of the District for each fiscal year
6 between July 1, 1995, and the fiscal year in
7 which the property is placed on the tax rolls
8 of the District.

6 The area of lands annexing to the boundaries of
7 the District shall include all lands of the
8 petitioning party or parties, to be used together
9 with or in conjunction with the primary facility
10 or, improvements intended to be constructed by the
11 petitioner, or his successors in title, including,
12 but not limited to, parking lots, landscaping,
13 storage areas, open space, etc.

10 Each petition for annexation shall be accompanied
11 by payment of an annexation application fee of
12 \$5,000 to cover cost of filing, publication,
13 mapping and other administrative costs of
14 processing said petition.

13 In all other respects petitions for annexation
14 shall be filed with the Board pursuant to Nevada
15 Revised Statutes.

15 SECTION 6.06: PAYMENT OF FEES. Fees as may be levied by the
16 District shall be payable as follows;:

17 A. Application fees at the time of submittal of
18 an application for connection or annexation
19 to the District system.

19 B. Annexation fees prior to the final action of
20 the Board approving said annexation.

20 C. Plan checking and inspection fees and
21 capacity fees at the time of final
22 determination thereof.

22 D. Any other fees shall be paid at the time of
23 the rendering of the service or occurrence of
24 an event causing the application hereof.

24 The applicant shall pay any increase in fees
25 resulting from changes in the project during
26 construction and prior to receiving a certificate
27 of occupancy from Douglas County.

27 All fees shall be paid at the time required by
28 this Ordinance, or within thirty (30) days of

receipt by applicant of written notice of affirmative action taken by the District Board, whichever shall apply. If such payment is not received within the time allotted, the District Board shall have the right to revoke and disaffirm their action and require that a new application be filed.

SECTION 6.07: DEPOSIT OF FEES. Fees collected by the District shall be deposited as follows:

A. Application fees, In-District capacity fees, plan checking and inspection fees, will-serve letters and miscellaneous fees in the

General Fund of the District, and they shall be non-refundable.

B. Annexation and capacity fees of participating districts, in the Plant Repair or Replacement Fund.

SECTION 6.08: REFUND OF FEES. In the event of cancellation or revision of a project, the applicant may make application to the District for refund of fees paid. The refund of fees shall apply only to the capacity fees established herein. The District Board may, in its discretion, grant a refund of any of these fees previously paid without interest and which have not been disbursed or expended. In such event the District shall deduct from such refund that amount which the District Board determines to be proper in order to compensate the District for costs incurred by it in connection with said project.

SECTION 6.09: WILL-SERVE LETTERS. All will-serve letters shall require formal action of the Board of Directors of the District based upon a written application in form to be specified by the District Manager, accompanied by payment in the sum of \$1,000.00 which shall be in addition to any other fees required hereunder. Said application shall include sufficient information as shall be reasonably required by the District Manager to permit an accurate estimate of capacity needs and requirements of the proposed project.

SECTION 6.10: MISCELLANEOUS APPLICATION FEES. In any situation requiring District approval not specifically covered herein, a permit shall be required following application therefore and the payment of an application, processing and administration

1 fee in a sum reasonably to be determined and set
2 by the District Board on a case by case basis.

3 ARTICLE VII

4 MAINTENANCE AND OPERATION CHARGES

5 SECTION 7.01: METHOD OF ASSESSING SEWERAGE SERVICE CHARGE.
6 Annually, the District shall cause to be levied a
7 service charge for the purpose of assessing the
8 maintenance and operation costs of the District
9 upon each parcel of property having any connection
10 to the sewerage system of the District.

11 A. Residential Use Charge.

12 An annual use charge for all residential
13 users shall be based upon a flat rate as
14 established by the District. The basis for
15 establishment of the flat rate shall be the
16 prorated cost of the treatment of the
17 sewage based on flow volume contributions and
18 operation and maintenance costs. Pending
19 periodic review, the current residential
20 use charge shall be \$161.00 per year which
21 shall be progressively increased as follows:

- 22 1. During Fiscal Year 2003-2004: An
23 increase of \$50.00 to the sum of \$211.00.
- 24 2. During Fiscal Year 2004-2005: An
25 increase of \$50.00 to the sum of \$261.00.
- 26 3. During Fiscal Year 2005-2006 and there-
27 after an increase of \$50.00 to the sum of
28 \$311.00.

29 B. Metered Flow Contributions.

30 Based upon the prior calendar year's metered
31 flows, volume contributions from each metered
32 connection shall be projected for the
33 forthcoming fiscal year.

34 C. Commercial Use Base Charge.

35 An annual sewer use charge for all commercial
36 users shall be determined as the prorata
37 share, as measured by the volume contribution
38 to the system, of the annual maintenance and
39 operation costs less the total contribution
40 of all residential use charges.

1 D. Commercial Use Surcharge

2 An annual sewer use surcharge for all
3 commercial users contributing sewage
4 requiring treatment for levels of BOD,
5 suspended solids, grease and oil exceeding
6 the concentrations as is set out in Article
7 V, Section 5.03 hereof, shall be
8 determined as the prorata share, as measured
9 by the volume contribution to the system.

7 E. Commercial User Billing Periods.

8 The total annual use charge may be divided
9 into increments of billing periods as
10 determined by the District.

10 SECTION 7.02: EQUALIZATION; APPEALS. All appeals from the levy
11 of any assessment provided for under this article
12 shall be taken in accordance with the provisions
13 of N.R.S. 361.335, et. seq., relating to
14 equalization and N.R.S. 361.357, et. seq.,
15 relating to remedies as such law is currently in
16 effect or as may from time to time be amended.

14 ARTICLE VIII

15 SPECIAL ASSESSMENTS; BONDS, MEDIUM AND SHORT TERM FINANCING

16 SECTION 8.01: In addition to the powers set forth in N.R.S.
17 309.330, the District shall have the authority to
18 impose, assess and collect a special assessment
19 for any purpose deemed necessary by the Board of
20 Directors.

19 SECTION 8.02: In addition to the authority conferred upon the
20 District by the provisions of N.R.S. 309.160 et.
21 seq., to N.R.S. 339 et. seq., the District
22 confirms its authority, as circumstances may
23 warrant from time to time, to:

22 A. Issue municipal bonds as authorized under
23 N.R.S. 350.580, et. seq., and

23 B. Incur medium term financing as authorized
24 under N.R.S. 350.087; and

24 C. Incur special obligations, such as notes,
25 interim debentures and temporary bonds as
26 authorized by N.R.S. 350.582.

26 SECTION 8.03: Any action taken in furtherance hereof shall be by
27 formal resolution of the Board of Directors of
28

the District during a regular or special meeting properly called for such purpose.

ARTICLE IX

MAINTENANCE AND IDENTIFICATION OF THE DISTRICT'S FUNDS

SECTION 9.01: Designation of District Funds: It is the intention of the Board of Directors of the District to hereinafter set out the designation of funds held by it in accordance with the applicable provisions of Nevada Revised Statutes and the historically official policies and practices of the District relating to such matters.

SECTION 9.02 The Enterprise Fund: It is recognized that presently NRS 354.517 requires the District to create and maintain an enterprise fund to account for operations. It is the intention of the District to herein designate such fund as identified in the foregoing section in accordance with such statute, as same may be amended or modified in the future.

SECTION 9.03 Plant Repair or Replacement Fund: This fund, previously created by action of the Board of Directors, shall be restricted as to application for the purpose of repairing, reconstruction or expanding of the District's sewerage system.

The beginning balance of monies held in this fund shall be in such sum as shall be existent on the date of effectiveness of this Ordinance. The source of such monies shall be that set out in Article VI, Section 6.07 hereinabove.

SECTION 9.04: Construction Fund: This fund, previously created by action of the Board of Directors, shall be restricted to capital expenditures for the following uses and purposes: The construction and improvements to the District's sewerage system.

The source for such funds shall be monies collected in the form of special assessments against real properties located within the boundaries of the District and within the boundaries of the participating districts with whom the District is engaged by contract to provide wastewater treatment and reuse services. Such special use assessments shall annually be allocated among such users based upon their rateable flow percentage of each entity applied to the total of flow contributions to the sewerage

1 facilities of the District for planned capital
2 improvement costs.

3 The beginning balance of monies held in this
4 fund shall be in such sum as shall be existent
5 on the date of effectiveness of this Ordinance.

6 SECTION 9.05: Interest. Interest earned on investments in these
7 funds shall follow the principal allocated
8 thereto.

9 ARTICLE X

10 COLLECTION OF ASSESSMENTS; DELINQUENCIES

11 SECTION 10.01: Any levy of assessments authorized hereunder or
12 under N.R.S. 309.010, et. seq., shall be
13 certified, entered and collected as provided for
14 in N.R.S. 309.320, et. seq., and any other
15 applicable provisions of Nevada Revised Statutes.

16 ARTICLE XI

17 VIOLATION OF ORDINANCE

18 SECTION 11.01: CORRECTION OF VIOLATION BY DISTRICT; IMPOSITION OF
19 REASONABLE CHARGES THEREFORE. Without limitation
20 to the generality of any provision of this
21 Ordinance and without imposing any obligation
22 whatever upon the District to do so, the District
23 shall be empowered to correct any violation of the
24 provisions of this Ordinance and to impose the
25 cost of said corrections upon the person or
26 persons violating said Ordinance or upon the owner
27 or tenant of property upon which said violations
28 exist. The cost of said correction shall
constitute a debt to the District and an
additional sewer service charge within the meaning
of Article V, Section 5.11, of this Ordinance.
The District shall have such remedies for the
collection of said costs as it has for the
collection of sewer service charges under the
provisions of this Ordinance and Nevada Revised
Statutes.

ARTICLE XII

RESPONSIBILITY FOR MAINTENANCE

SECTION 12.01: District sewers shall be maintained by the
District.

LAW OFFICE OF
MILTON MANOUKIAN, ESQ.
10135 DONNER PEAK DRIVE
RENO, NEVADA 89511
(775) 829-4434

1 SECTION 12.02: The owner or other user shall be responsible for:
2 Cleaning all stoppages, repairing all damages and
3 maintaining flow in the laterals; and water meters
4 shall be maintained in accordance with the
5 provisions of Article IV, Section 4.05.

6 ARTICLE XIII

7 ADJUSTMENTS AND EXCEPTIONS

8 SECTION 13.01: The Board of Directors of the District hereby
9 retains the right to make adjustments and
10 exceptions to the provisions of this Ordinance in
11 order to vary or modify the strict application
12 thereof in cases in which there are practical
13 difficulties or unusual hardships in the way of
14 such strict application, or in the interests of
15 justice. Such modifications may consist of
16 increasing the requirements of this Ordinance, as
17 well as lessening or waiving certain requirements.

18 Application for any adjustment or exception shall
19 be made to the Board of Directors of the District
20 in writing, or an adjustment or exception may be
21 made by the Board on its own motion.

22 SECTION 13.02: CONFLICTING PROVISIONS. In the event that two or
23 more provisions of this Ordinance are in conflict,
24 or if this Ordinance is silent, confusing,
25 ambiguous, oppressive or unworkable by reason of
26 its application or non-application, or does not
27 otherwise meet any situation presented to the
28 District, the District's Board hereby reserves the
right to adopt a resolution, or resolutions,
without the necessity of prior notice therefore,
in order to meet or solve such situations.

ARTICLE XIV

PENALTIES, CONSTITUTIONALITY, REPEALS

SECTION 14.01: TITLE. This Ordinance shall be known as the
Douglas County Sewer Improvement District No. 1
Ordinance and is adopted in accordance with the
provisions of N.R.S. 309.010, et. seq.

SECTION 14.02: CONSTITUTIONALITY. If any article, section,
sentence, clause or part of this Ordinance is for
any reason held to be unconstitutional, or
otherwise illegal, such decision shall not affect
the remaining portions of this Ordinance. The
District Board hereby declares that it would have
passed this Ordinance and each article, section,

1 sentence, clause and part hereof despite the fact
2 that one or more articles, sections, sentences,
3 clauses or parts hereof be declared
unconstitutional, or otherwise illegal.

4 SECTION 14.03: REPEAL OF ORDINANCE. Upon adoption of this
5 Ordinance, in the manner hereinafter set forth,
6 the Ordinances of the District, adopted on the
7 19th day of May, 1964; the 8th day of January,
8 1969; the 5th day of March, 1985; and the 13th day
9 of September, 1994; shall expressly become
10 superseded by this instrument. Notwithstanding
the repeal of said Ordinances, all contracts
11 entered into by the District under said Ordinances
12 for any rights, duties or obligations arising
13 thereunder are hereby continued in full force and
14 effect, and the rights, duties and obligations of
the parties thereto shall be governed by the terms
thereof.

11 SECTION 14.04: PUBLIC NUISANCE. The violation of this Ordinance
12 shall be and the same is hereby declared to be a
13 public nuisance, and the attorney for the District
14 shall, upon order of the District, immediately
commence actions or proceedings for the abatement
or removal or enjoinder thereof in the manner
provided in Article XII, Section 12.06.

15 SECTION 14.05: REMEDIES AND PENALTIES CUMULATIVE. The remedies
16 and penalties herein provided shall be cumulative
17 and shall be in addition to such other remedies
18 and penalties as are provided in this Ordinance or
by law of the State of Nevada. The election of
the District to use one remedy shall not bar the
District from the use of any other remedy.

19 SECTION 14.06: VIOLATION UNLAWFUL; CRIMINAL AND CIVIL PENALTIES.
20 Except as this Ordinance may otherwise permit,
21 following the effective date of this Ordinance,
22 it shall be unlawful for any person to connect to
Douglas County Sewer Improvement District No. 1
sewerage facilities except in the manner provided
by this Ordinance.

23 Every person violating any provisions of this
24 Ordinance, including the failure to pay any fees,
25 charges or surcharges imposed hereby, or any
26 condition or limitation of a permit or plan
27 approval issued pursuant thereto, is guilty of a
28 misdemeanor, and upon conviction is punishable as
provided by law. Each day during which any
violation continues shall constitute a separate
offense. The District Manager is hereby

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1 authorized to seek, through the office of the
2 District Attorney of Douglas County, Nevada, or
3 other appropriate authority, prosecution of
4 criminal charges against any person violating any
5 provision of this Ordinance.

6 In addition, any person who intentionally or
7 negligently violates any provision of this
8 Ordinance pertaining to the subject matter of
9 either subparagraphs (A) or (B) below or any
10 condition or limitation of a permit or plan
11 approval related thereto shall be civilly liable
12 to the District in the maximum sum provided by law
13 for each day in which such violation occurs.

14 A. The pretreatment of any wastewater which
15 would otherwise be detrimental to the
16 treatment works or its proper and efficient
17 operation and maintenance.

18 B. The prevention of the entry of such
19 wastewater into the sewerage system.

20 SECTION 14.07: This Ordinance shall be in full force and effect
21 from and after April 30, 2003, the date of the
22 second publication of this Ordinance, it being the
23 order of the Board that this Ordinance shall be
24 published two (2) times, with the names of members
25 voting for and against said Ordinance, in the
26 Gardnerville Record-Courier, a newspaper of
27 general circulation in Douglas County, Nevada,
28 which newspaper this Board deems most likely to
give notice to the inhabitants, property owners
and ratepayers of the District.

PASSED AND ADOPTED by the Board of Directors of Douglas
County Sewer Improvement District No. 1 of Douglas County,
Nevada, this 18th day of April, 2003, by the following votes:

AYES: DIRECTORS: RUSSELL M. McLENNAN
ROBERT L. PRUETT

ABSTAINING: NONE

ABSENT: JOHN J. FULTS


RUSSELL M. McLENNAN, Director


ROBERT L. PRUETT, Director

E-1 This comment provides clarifying information on existing wastewater improvements and easements in the project area. In response to this comment, the following changes have been made to the text of the DEIS. On page 3-11, the second paragraph is revised as follows:

The Douglas County Sewer Improvement District collects and treats wastewater from the project site. The District has two major gravity sewers located within the project area. Flows from the lower Kingsbury area are transported to the Beach Pump Station in a gravity sewer along Kahle Drive, then Arthur Drive, which is located in the Tahoe Shores Mobile Home Park. The other line services the casino core, aligning across Edgewood Golf Course, the University 4-H Camp, and Tahoe Shores. The proposed project would continue to be served by the existing gravity-flow sewer system. It is estimated that 4-inch to 8-inch wastewater pipelines would be installed and/or realigned as necessary to serve the proposed project buildings. An existing 12-inch sewer force main that runs the length of the property would remain in its current underground alignment and utility easement. These existing and realigned sewer lines would gravity feed to a pump station just north of the project site, where the wastewater would be pumped to the District's treatment plant at Round Hill.

E-2 It is understood that the proposed project improvements cannot be located directly on top of the Douglas County Sewer Improvement District's sewer lines. The proposed project would have facilities adjacent to the District's sewer lines and easements. As discussed during a meeting between project engineers and District staff after the close of the DEIS comment period, the 24-inch Edgewood line would be rerouted around the proposed beach and swim club building (or appropriately sleeved in its current location) pending review and approval of site plans by the District and at the expense of the owner. The final configuration would allow District staff continued access to sewer lines and manholes.

District staff would be provided access to their facilities located on or adjacent to the project site during and after construction. Construction access roads would be open and available to District staff; the same rights of access would be granted at all times during and after construction.

E-3 The "line" referenced in this comment and shown in Exhibit 3-3 of the DEIS is intended to depict a sanitary sewer line. Exhibit 3-3A included in Chapter 4, "Revisions and Corrections to the DEIS," of this FEIS shows the existing utility easements that cross the portion of the project site closest to the lake. Exhibits 3-3 and 3-3A, as well as the District-provided map titled "Douglas County Sewer Improvement District No. 1—Sewer Line Location Map, Tahoe Shores Area" (which is now incorporated into this FEIS by inclusion in the comment letter), show the proper location and identification of District wastewater facilities relevant to the environmental review process.

E-4 This comment is acknowledged. The District-provided list of requirements necessitated by ordinance would be conditions of project approval by the District and incorporated by the project applicant into the final project plans.



P.O. Box 2220, Stateline, Nevada 89449

March 3, 2008

Ms. Theresa Avance, AICP, Senior Planner
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, NV 89449-5310

SUBJECT: Comments on the Draft Environmental Impact Statement (EIS) for the Beach Club on Lake Tahoe

Dear Ms. Avance:

The Kingsbury General Improvement District (KGID) has reviewed the above-referenced EIS prepared by EDAW. KGID appreciates the opportunity to review and comment on this document. KGID does not have a position on the overall merits of this project and has confined its comments to the project's potential impacts to essential public services provided by KGID. KGID looks forward to working cooperatively with Tahoe Regional Planning Agency staff and the project developer to address our concerns and seek mutually acceptable solutions to the issues raised in our comments below. Comments in this letter are specific to the proposed project Alternative A. The District did not address Alternative's B-E, although several of our concerns would be applicable to those project alternatives as well.

KGID is extremely concerned that the proposed development could substantially impede the operation and maintenance of KGID's primary water intake and treatment facility to the extent that water service to thousands of residents could be compromised or potentially threatened. KGID believes that it is incumbent upon the EIS process to fully address potential impacts to an important public service provider such as KGID and by extension to the existing residents in the community supplied by KGID.

Environmental Setting Comments

The draft EIS currently contains an inadequate description of KGID services, facilities and operation and maintenance practices needed to support the subsequent environmental analysis. In addition, the draft EIS seriously misrepresents the existing physical environmental setting immediately surrounding KGID's facility in terms of the intensity and proximity of existing development as well as the level and type of recreational water craft usage. The inadequate

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and inaccurate environmental setting information does not provide a sound basis for subsequent impact analysis and materially contributes to the EIS seriously underestimating the potential for significant impacts to public services that could result from implementation of the proposed project.

In order to provide context for the comments provided in this letter, we have included the following brief description of our current facilities located on Parcel 1318-22-002-002 within the project site. In addition, we have provided some basic information regarding the existing physical environmental setting and the level and type of activity that occurs surrounding KGID's facilities. This information should be added to the revised EIS in order to provide report reviewers with an accurate description of KGID services and facilities.

KGID's water system currently serves approximately 2,500 customers, the majority of which are residential (including occupants within the project site), and the system experiences a seasonal variability in occupancy. KGID estimates that the peak population served exceeds 9,000 residents along with an estimated 100 local businesses, an emergency medical treatment facility and a community fire station. The maximum daily demand, usually in mid-August, is approximately 3.0 million gallons per day (MGD). The minimum daily demand for the system is typically in December or January when approximately 950,000 gallons of water are treated.

The current water treatment plant contains a gravity-fed lake intake pipe, the ozone disinfection system, the chlorination system for residual disinfection, and pumps to lift the finished water to storage tanks. The system uses the pressure head from lake level to move the water through the ozone disinfection process into the high head pump wet wells. The water is then pumped to water storage tanks using a combination of four pumps. To meet the maximum daily demand of 3.0 MGD, the pump station operates a 300 horsepower (HP) pump approximately 23 hours per day and a 200 HP pump approximately 2 hours per day.

The current water treatment process uses ozone to disinfect the source water. This process constitutes the single barrier of protection for KGID drinking water customers. The treatment process consists of three 7,350-gallon ozone contact chambers, one 6,000-gallon ozone quench chamber, and two 50-lb/day ozone generators. The system also has air preparation equipment, quenching equipment, and ozone destruction equipment housed in the water treatment plant building.

The water treatment plant and pump house are currently bordered by an open grassy field and a private parking lot used solely by KGID personnel during operation and maintenance activities. The nearest residence is the manger's unit, located approximately 104 feet to the east of KGID's pump house. KGID's electrical control panels and utility boxes are located within this grassy field, approximately mid-way between the mangers unit and the pump house. The currently open areas surrounding the pump house support multiple sub-surface waterlines and other utilities. In summary, the area immediately surrounding the pump house (i.e. within 100 feet) is undeveloped on all sides, supports important surface and sub-surface public utilities and is subject to relatively non intrusive levels of resident use as discussed below.

Existing levels of recreational activity within the beach area and pier are relatively informal and consist of residents walking the trail to the beach and carrying or wheeling non-motorized watercraft (e.g. kayaks, sail boats) to the beach. The existing stationary elevated pier is unsuitable for motorized water craft and is used almost exclusively for sunning, diving and fishing activities as motorized watercraft cannot currently easily tie up to this elevated facility. In addition, the lack of an existing concrete boat ramp further limits existing motorized boating opportunities at the site. In summary, contrary to statements in the EIS, historic use of this pier and immediate surroundings consists almost entirely of non-motorized watercraft usage, with only an occasional fishing boat attempting to dock (KGID maintenance personnel, 2008).

Service trucks visit the pump station a minimum of once daily and often multiple times in one day, depending on operation and maintenance issues which arise. In addition, a tractor-trailer delivers chemicals to the station once per quarter and fuel trucks visit the station two or three times per year. Depending on maintenance needs and requirements throughout the year, a crane is occasionally necessary to remove pumps at the station, and trailers access the site to recoat clearwells. During major maintenance operations (e.g. pump replacement), multiple service trucks may be present, along with a large crane, a flatbed truck and multiple personnel. In the event of loss of electricity to the station, KGID owns and operates an emergency generator. The generator is tested for 5-10 minutes once per week and may potentially be used several times throughout a given year for periods of between several hours and 1-2 days. During periodic emergency situations, the presence of multiple pieces of large equipment may also be required.

Per Tahoe Regional Planning Agency Ordinance 5.8.A(3), the above information should be incorporated into the revised EIS and used as a basis for analysis in order for the document to accurately characterize potential impacts to KGID facilities and operations. In order to support report reviewer understanding of the existing setting along the site's waterfront, KGID recommends that the revised EIS contain a detailed scaled 8½ x 11 figure focused on only the existing waterfront area which shows the pump house, existing grassy field, parking area, utilities, including underground water and electric lines, the managers unit, existing beach area, trails and pier as well as photographs of the existing area, KGID facilities, etc. In particular, as discussed below, this information should be used to provide a revised assessment of impacts to water service and facility operation and maintenance, hazards, public safety, and noise.

Project Description Comment

The following comment is provided to suggest clarification of proposed roadways and paths described in the project description as they pertain to access to KGID facilities.

Section 3.4.2 of the Project Description states that:

"access to KGID facilities would continue to be provided through the project site from Kahle Drive. The access road would connect to the new project site roadway and would be designed to accommodate the width and turning radius of KGID cranes and other large vehicles used in routine operation and maintenance and repair."

However, as displayed in Exhibit 3-4, *Alternative A – Proposed Project Site Plan*, the new project site roadway, which connects to Kahle Drive, culminates in a vehicle turn-around between Building 1 (Beach and Swim Club) and Building 2 (19 Lodge Units). A paved roadway does not appear to be proposed to extend to KGID facilities. Instead, an Interpretive Path (as labeled on the Exhibit 3-4) appears to extend from the roadway to KGID facilities. Insufficient detail is provided to determine if this path could actually accommodate KGID operation and maintenance trucks, cranes, tractor-trailers, along with sufficient turnaround, maneuver and parking spaces for such vehicles. From the information provided, this would appear to be a substantial change from the existing physical environmental setting where KGID's existing unimpeded road access to its facility would appear to be replaced by a lack of paved and readily accessible access for personnel and heavy equipment. Further, these KGID facilities are currently located in a non-exclusive easement. In placing a large new building on top of a significant portion of KGID's easement, the proposed project not only compromises KGID's existing operation and easement rights, but also precludes KGID use of the easement for expansion to meet future regulatory requirements for improved water quality treatment. Issues surrounding conflicts with existing KGID operations and probable future expansion requirements are discussed more fully below.

The project description is also deficient in describing potential population and demographic shifts that could occur as a result of the proposed project. Although a general comparison of potential shifts in population is provided as part of the EIS assessment of affordable housing issues, this does not provide an adequate basis for assessment of peak population or changes in demographics that could occur at the new development. Accurate average and peak occupancy as well as income data is critical to support assessment of increases in risks and conflicts with KGID facilities. For example, wealthier families and their guests may own more cars that could cause parking congestion and potentially restrict KGID access, especially during peak vacation periods. Wealthier families would also tend to own and use motorized watercraft, including larger boats and jet skis that would be accommodated and encouraged by a new floating dock. A large vacation population may include more children using the beach and new beach and swim club within potentially hazardous areas.

In order to accurately characterize the project and the change in physical environmental setting, the EIS should be amended to provide an accurate description of the proposed access to the KGID facility that corresponds to Exhibit 3-4. The revised EIS should provide detailed information regarding the width and composition of the proposed access, parking areas for subsequent assessment of their ability to accommodate KGID activities. This should include a detailed scaled 8½ x 11 figure which focuses on the proposed facilities in the beach area, including the proposed swim and beach club, the access road, beach access path and which clearly shows the pump house and outlines of the existing utilities and water lines, etc. In addition, the EIS should include demographic, population and income information needed to support assessment of impacts to KGID facilities. The revised EIS should utilize this information in conjunction with the information provided above to more accurately portray potential impacts to KGID operations and maintenance activities as discussed below.

Impact Analysis Comments

KGID has thoroughly reviewed the draft EIS and believes that the proposed changes in the physical setting of the project site would result in the following potentially significant impacts which have not been adequately addressed in the draft document:

1. Increased Risks to Public Safety;
2. Restrictions of Ability to Meet Water Quality Standards;
3. Degradation of Water Quality from Increased Boating Activity;
4. Disruption of an Essential Public Service

Each of these potential impacts is discussed in greater detail in the paragraphs below. KGID believes that these changes must be made to the EIS in order to adequately address project impacts, particularly in regards to disclosing significant impacts to public services and identifying feasible mitigation measures. We believe that making these changes to the EIS is required to provide a legally adequate document and will lead to an improved project that will better mitigate these specific significant environmental impacts.

1. Increased Risks to Public Safety

Impact 5.13.A-1, *Expose the Public or Environment to Hazardous Materials*, concludes that because "the project would not significantly alter the existing conditions of the site [KGID pump station]....impacts related to exposure of the public or environment to significant hazardous materials would be considered less than significant."

As described on page 5.13-5 of the EIS, the KGID pump station uses a number of hazardous chemicals on a daily basis, including ozone, bleach, and phosphoric acid. The KGID pump station is currently located 104 feet from the mobile home manager's office and is bordered by a grassy field and a parking lot. Although under the proposed project residential buildings would be constructed equidistant from the KGID pump station as under existing conditions (approximately 104 feet), a major new recreational facility (Swim and Beach Club) would be constructed 20 feet to the eastern side of the pump station, with decks and stairs appearing to intrude even closer (Exhibit 3-9). In addition, a designated recreational beach area is proposed directly to the west of the pump station.

According to the EIS (page 5.6-17), the Swim and Beach Club would include the construction of an assembly room designed for a 200-person maximum capacity. The EIS fails to identify maximum occupancy of the other uses within the Swim & Beach Club (per Table 3-1) consisting of approximately 35,790 square feet and including a restaurant/grill, sports area, indoor and outdoor swimming pools and decks, etc. Consequently, the number of people that could potentially be affected in the event of an upset situation would be substantially greater than under current conditions (i.e., grassy field and parking area and 1 manager 104 feet away vs. 200+ residents and guests). Therefore, while the proposed project would not alter the KGID pump station itself, it would significantly alter the physical setting surrounding the facility, thereby increasing public exposure to potential hazardous materials impacts. The failure of the EIS to correctly identify the proposed project's substantial alteration of the existing physical

environment adjacent to the existing KGID facility and the resultant potential for significant environmental impacts is a significant flaw in the document which must be corrected.

Further, the EIS provides insufficient data to determine whether public exposure to hazardous materials and public safety are potentially significantly impacted by the proposed project. The document assumes that the protective measures currently in place at KGID (e.g., Homeland Security Act Management Plan, ozone analyzer, security alarms, etc.) would preclude an emergency event from occurring (page 5.13-10). In order to adequately characterize the potential impacts to human health and public safety, the EIS should assess the potential worst-case scenario of an actual emergency event¹. Due to the change in the physical setting surrounding the KGID pump station which would result in an increased number of people occupying the space within 20' of the facility, a formal risk assessment is warranted that includes the development of a hazard footprint in the case of a possible upset (e.g., fire, leak, spill, etc.). The risk assessment should assess the worst-case scenario of an upset event occurring during the peak hours of use at the proposed swimming pool and in the middle of a full-occupancy event at the Swim & Beach Club. If the hazard footprint does not reach to the beach recreation area or the Swim and Beach Club, impacts can be reasonably assumed less than significant as is currently stated. However, if the hazard footprint extends to either location, the impact must be stated as potentially significant, and appropriate mitigation should be proposed.

KGID proposes that as mitigation, the Swim and Beach Club setback from the facility be increased such that the entire club is located beyond the modeled hazard footprint and that fencing or other protective measures are put in place to ensure that this facility's hazard footprint is not impinged upon.

2. Restriction on Ability to Meet Water Quality Standards

Table 5.3-1 *Land Use Policy Consistency Analysis* states that the proposed project alternatives are "consistent" with the Tahoe Regional Planning Agency Public Services and Facilities Element Goal #1, "public services and facilities should be allowed to upgrade and expand to support existing and new development consistent with the regional plan." The consistency analysis in the EIS addresses only the placement of water lines, and availability of water to service the project. The document states that the sole source of water for KGID is located at the facility within the project site (page 5.13-5). Therefore, in order to meet the goal listed above, KGID must have the ability to expand within the existing easement area. The impact of the proposed development on this ability is not addressed within the document.

As a public utility, KGID is required to comply with all applicable State and Federal requirements regarding the production of drinking water. At present, KGID enjoys a filtration waiver from NDEP. The Long Term 2 Enhanced Surface Water Treatment Rule, recently promulgated by the USEPA, will require additional treatment processes to be added to KGID's existing

¹ Actual emergencies that have been recorded at the facility include chlorine generating system failures, analyzer failures, high voltage electrical issues, pump failures, air compressor failures, chemical feed system failures, ozone generator faults, and clearwell leaks.

treatment facility with an operational compliance deadline of 2014. These new regulations will require added treatment processes above and beyond current requirements and will require expansion of KGID's existing facility. In addition, future detrimental changes to the water quality in Lake Tahoe could trigger a loss of our filtration waiver. The proposed development would severely restrict KGID's ability to expand the pump station adequately to meet these requirements. As proposed, in order to accommodate the new development, any future improvements to KGID pump station would have to be constructed on the north side of the facility. Depending on the space required for these improvements, the potential exists for the KGID facility to block or severely restrict lake access for the residents of the development in the future. Accordingly, KGID asserts that the proposed project is therefore inconsistent with the stated goal and that the EIS should be revised to reflect this potential land use impact.

3. Degradation of Water Quality from Increased Boating Activity

Impact 5.5.A-7, *Degradation of Water Quality from Increased Boating Activity*, states that the "proposed project would include the reconstruction and extension of the existing pier and relocation of the three existing buoys. The project would not provide new buoys, boat launching facilities, permanent moorings, or other marina facilities; therefore, the project would not contribute to an increase in the number of boats on the lake." Therefore, with regard to degradation of water quality from increased boating activity, impacts would be less than significant.

The draft document states that no additional boat traffic would result from the expanded and improved pier and associated floating dock for the reasons provided above and that only boats associated with the proposed development would have access to use the pier (page 5.5-36). However, the EIS does not provide baseline information to quantify the current level of boat use on the pier or an analysis of the types and number of boats expected to use the reconstructed pier, particularly given the probable changes in the economic and demographic profile of new residents. Further, as noted above, based on historic observations of KGID staff, the current pier receives little or no motorboat use either from existing residents or visitors. Given the fact that the project has the potential to entail an increase in motorized watercraft traffic, the discussion of **Impact 5.5.A-7** inaccurately analyzes how the change in the physical on-shore setting that would result from the proposed project may affect boating activity at the pier. Thus report reviewers are left with a conclusionary statement unsupported by facts as to whether the quantity, type and frequency of boat traffic would change.

Further, as stated in Section 5.2, *Housing and Population*, approximately one-third (54) of the mobile homes at the Tahoe Shores Mobile Home Park qualify as moderate-income residences. To mitigate for the loss of these moderate-income units, the project proposes the construction of 19 moderate-income condominiums on-site and the purchase of 34 moderate-income residences off-site. The remaining proposed condominiums would be sold at market rate. No other socioeconomic data is provided.

However, from this data, it can be extrapolated that the socioeconomic composition of the residents on the project site would potentially be altered as a result of the proposed project. Although no data is provided indicating the number of current residents who own boats or other

recreational watercraft, the potential exists for displaced moderate-income residents to be replaced by high-income residents that are more likely to own boats or other recreational watercraft (e.g., jet-skis, wave-runners, etc.). Based on the limited use of the existing pier, observations of KGID staff and a probable change in demographics at the project site, a change in the type of watercraft (kayak vs. jet-ski) and/or number of watercraft associated with the proposed development and reconstructed pier appear very likely. This change could result in a degradation of water quality above KGID's intake pipeline due to increased risk of oil and fuel spills and graywater discharges.

Because the EIS inaccurately portrays the existing environmental baseline of current boating activities at the site and provides no data on existing boating activities to support its conclusions, report reviewers cannot ascertain the accuracy of the analysis provided under **Impact 5.5.A-7**. Further, the EIS does not include population and socioeconomic projections to support the claim that boating activities would not increase due to changes in onsite demographics. Conclusions or statements unsupported by facts and adequate information do not constitute adequate environmental analysis, particularly where potentially serious repercussions to public health and safety could arise due to unknown potential water quality impacts.

Because the EIS fails to provide adequate information to allow report reviewers to understand the potential for impacts to water quality, KGID asserts that the EIS must be revised to include adequate data to disclose whether a reasonable potential exists for such impacts to occur. As a public service provider, KGID is concerned that potentially significant impacts to water quality could result from project implementation. Such impacts could occur from both increased boating activities and the extension of the project's pier closer to KGID's intake facilities. Further, KGID is concerned that such water quality degradation could potentially impact public health and increase KGID operation and water treatment costs. The EIS must be revised to include an adequate level of information and analysis to disclose the potential impacts to water quality.

4. Disruption of an Essential Public Service

Impact 5.13.A-3, *Disruption of Public Services*, addresses the potentially significant impact to public services that may occur during demolition, excavation, and construction activities. The impact discussion does not address potential disruptions to water service which may occur following the completion of construction activities as a result of inadequate vehicular access to the KGID pump station and land use incompatibilities with the proposed Swim and Beach Club and designated beach recreation area.

KGID believes that the proposed project clearly has the potential to create significant impacts to KGID's ability to operate and maintain its sole water intake and treatment facility. Therefore, the EIS must be revised to thoroughly address these issues as discussed below:

Access to KGID Facilities

As discussed on page 1 of this letter, access to the KGID pump station as proposed appears to consist of an Interpretive Path (width, composition, etc. not provided) extending from the new roadway to KGID pump station.

Vehicular access to the KGID pump station is necessary to perform daily operation and maintenance procedures and to respond to larger or more emergency situations. Service vehicles require adequate paved roads of adequate width and structural strength to accommodate large vehicle turning radii, to access the KGID facility in order to perform routine operation and maintenance and repairs. In addition, it is essential that such equipment have unimpeded access to the facility in the event of an emergency. The EIS also does not appear to address snow removal and the need for snow storage areas or easements to maintain access to KGID's facility during winter. By precluding adequate access to the site, the proposed project's reconfiguration of existing access essentially impedes KGID's ability to maintain its existing systems properly and provide drinking water to its 2,500 existing customers (including residents of the proposed development).

This disruption of essential public services should be identified as a potentially significant impact in the revised EIS. In order to mitigate this potentially significant impact, the revised EIS must identify and require appropriate mitigation such as the paving and widening of the proposed Interpretive Path, the extension of the proposed project roadway to the KGID pump station, an adequate large vehicle turning radius and adequate accommodation for snow removal and storage. KGID recommends that the revised EIS recommend a mitigation measure that requires preparation of a KGID facility Access Management Plan that identifies measures to preserve adequate access over the long-term. This plan should be subject to review and approval by KGID.

Project Design and Construction Impacts

The EIS fails to adequately address disruption to KGID's facilities due to proposed improvements and construction related activities. Project construction has the potential to require significant relocation of important KGID facilities, including underground water lines, electrical transformers, pressure reducing vaults and utility boxes which are directly underneath the proposed Swim & Beach Club. These matters are only treated in a cursory fashion. Further, project landscaping proposed to screen KGID's facility has the potential to create root intrusion around water mains, ozone contact chambers and other essential utilities and inhibit maintenance access to these facilities. These aspects of the project have the potential to create potentially significant impacts associated with disruption or interruption of public services, including construction related disruption of water service and long-term water line maintenance issues. To address these impacts, KGID recommends that the revised EIS include a mitigation measure that requires applicant preparation of a utility construction staging/management and design plan that provides details of how utility replacement would be staged, managed and designed during project planning and construction. Such a plan should be subject to review and approval by KGID and other affected utilities and include required access mitigation during demolition and construction activities.

Compatibility between Existing and Proposed Land Uses

As provided in Appendix A, specific comments were raised regarding noise and security issues at the KGID facility, including:

- "There is excessive noise emitted by the pump house. Will that be addressed?" and
- "Will there be any security measures surrounding the pump station and drinking water supply?"

With regard to noise, the document preparers provide the following response: "The project would not make any modifications to the existing KGID pump station and as such would have no effect on pump house noise." Therefore, no analysis is provided in the document to address the potential impacts to users of the beach and proposed Swim and Beach Club facilities during daily operations of the pump house.

The nearest measurement of ambient noise level to the KGID pump house provided in Section 5.8 was taken at the Tahoe Park office parking lot. No measurements were made during operation of the KGID facility emergency generator. Thus, while the response to the scoping comment is accurate (the proposed project would have no effect on pump house noise), the project would place new recreational land uses directly adjacent to the pump house, in effect, substantially increasing the number of sensitive receptors potentially impacted by the existing noise level, particularly the emergency generator. Since no noise measurements were taken at the KGID facility, inadequate information is provided to determine if noise impacts at the proposed Swim and Beach Club or recreational beach facility are above nuisance levels for such land uses as defined by the Tahoe Regional Planning Agency and Douglas County (Tables 5.8-4 and 5.8-5 in the EIS). The EIS should be revised to include adequate information on existing noise levels, particularly emergency generator testing and operation, and address these potential impacts within Impact 5.8.A-4, *Land Use Compatibility of Proposed Sensitive Receptors with On-Site Noise Levels*, and within Impact 5.13.A-3, *Disruption of Public Services*.

With regard to security measures, the document describes existing security measures that are in place for the pump station as well as the proposed security fence that would be constructed along the southern property boundary to discourage non-residents from entering the site. The document assumes that existing measures would ensure the security of the facility and the safety of residents but fails to acknowledge the change in the physical setting that would result from the proposed project. As mentioned numerous times above, the project proposes to construct an active recreational facility, including swimming pools, assembly rooms, and restaurant, within 20 feet of KGID facilities. Although the facility use would be limited to residents and their guests, during peak usage of the facility, this project could place more than 200+ people next to KGID facilities at one time. This is a significant change in the physical setting of the project site that could potentially directly affect the security of KGID pump house and result in the disruption of KGID's ability to provide an essential public service to its customers. The potential for breach of security resulting in vandalism, harm to equipment, or contamination of water would increase significantly with the increased activity located within 20

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feet of the pump house. Once again, the EIS fails to provide an adequate level of information and impact assessment to determine if the potential for significant impacts exists (i.e., increased security concerns).

In addition, KGID recently consulted with the project applicant to install a perimeter fence and video surveillance around KGID facilities to serve as added security to detect and delay unauthorized access to the site and separate the public from the water pumping and treatment facilities. The proposal was rejected by the project applicant. Therefore, since KGID is unable to implement additional security measures to protect its facilities, the potential exists for disruption of public services (**Impact 5.13.A-3**). KGID respectfully requests that the Tahoe Regional Planning Agency impose reasonable mitigation measures as discussed above to mitigate potential security impacts to KGID facilities.

Conclusion

At this stage in the process, KGID is concerned that the current EIS is inadequate in that it fails to discuss several potential significant impacts to essential public services and water quality or provide required mitigation as discussed above. Because of these inadequacies, KGID respectfully requests that Tahoe Regional Planning Agency staff direct the consultant to make the identified changes to the draft EIS, including the addition of new mitigation measures to address the above concerns, and recirculate the document for public review and comment.

KGID appreciates the Tahoe Regional Planning Agency's consideration of these comments and we look forward to working cooperatively with Tahoe Regional Planning Agency staff and the project applicant to craft mutually agreeable mitigation measures and project design changes that address these concerns. KGID staff would be happy to meet with you to discuss these issues, as you feel appropriate. Should you have any questions regarding the issues raised in this letter, please do not hesitate to contact Michelle Runtzel at 775-588-3548.

Sincerely,



Robert Cook, Chairman
KGID Board of Trustees

- F-1** This comment is introductory and establishes the framework for more detailed subsequent comments. The DEIS seeks to disclose and fully address potential impacts on KGID and the community supplied by KGID.
- F-2** At the request of KGID's former general manager, detailed information about KGID facilities, particularly as it relates to the ozone system, was withheld from the DEIS because of its sensitivity. However, in response to this comment, the following changes have been made to the text of the DEIS. The text on page 5.13-5 is revised as follows:

KGID FACILITIES

KGID, as a water purveyor, has the responsibility of providing safe and reliable drinking water supply to its approximately 2,500 customers, the majority of which are residential (including occupants within the project site). The system experiences a seasonal variability based on residential occupancy. KGID staff estimate that the peak population served exceeds 9,000 residents along with an estimated 100 local businesses, including an emergency medical treatment facility and community fire station. The maximum daily demand (usually in mid-August) is approximately 3.0 million gallons per day (mgd). The minimum daily demand for the system typically occurs in December or January, when approximately 950,000 gallons per day are treated.

Water supplied by KGID presently comes entirely from Lake Tahoe. The supply system includes the gravity-fed Lake Tahoe intake pipeline, the Lake Pump Station, and the Ozone Disinfection Facility for treating the surface water, the chlorination system for residual disinfection, and pumps to lift the finished water to storage tanks. The system uses the pressure head from lake level to move the water through the ozone disinfection process into the high head pump wet wells. The water is then pumped to water storage tanks using four pumps. When operating at maximum daily demand (3.0 mgd), the pump station operates a 300-horsepower (hp) pump approximately 23 hours per day, and a 200-hp pump approximately 2 hours per day. In addition, KGID has an above-ground fuel storage tank and two transformers that are also located on the project site.

The KGID pump station and water treatment facility are bordered by an open grassy field and parking lot accessed by KGID personnel during operation and maintenance activities (see Exhibit 3-3). The area surrounding the pump house (i.e., within 100 feet) does not include any structures. The closest residence is approximately 104 feet east of the pump house. KGID's electrical control panels and utility boxes are located midway between this residence and the pump house. The areas surrounding the pump house support multiple subsurface water lines and other utilities.

Service trucks visit the pump station and water treatment facility a minimum of once daily and often multiple times in one day. In addition, a tractor-trailer delivers chemicals to the site once per quarter and fuel trucks visit the station two or three times per year. Depending on maintenance needs and requirements throughout the

year, a crane is occasionally needed to remove pumps at the station, and trailers access the site to recoat clear wells. During major maintenance operations (e.g., pump replacement), multiple service trucks may be present, along with a crane, a flatbed truck, and multiple personnel.

In the event of a power outage, KGID owns and operates an on-site emergency generator. The generator is subject to routine testing once per week for a period of 5–10 minutes during normal daytime operating hours. During outages, the emergency generator may be operated for periods of up to 2 days.

Lake Pump Station and Water Treatment Facility

The text on page 5.13-6 is revised as follows:

Ozone

In addition to the chemicals listed above, the Ozone Disinfection Facility uses ozone to disinfect the water. This process constitutes the single barrier of protection for KGID drinking water customers. The treatment process consists of three 7,350-gallon ozone contact chambers, one 6,000-gallon ozone quench chamber, and two 50 lb/day ozone generators. The system also has air preparation equipment, quenching equipment, and ozone destruction equipment housed in the water treatment facility building.

- F-3** The description of the water treatment facility and process are hereby incorporated into the EIS. Please see response to Comment F-2 above.
- F-4** The description of the environmental setting of the treatment plant and pump house are hereby incorporated into the EIS. Please see response to Comment F-2 above.
- F-5** Existing levels of recreational activity at the beach and pier range from low-level, informal and passive recreation to up to 2,000 persons at one time on the Fourth of July. Implementation of the project may result in increased beach use by members, residents, and guests. The project would formalize pedestrian access to the beach, directing pedestrians to an interpretative path, to the northern edge of the site and away from the pump station and water treatment facility. Security and recreation personnel would provide supervision to Beach Club residents, members, and their guests.
- Please see response to Comment F-17.
- F-6** Please see response to Comment F-2.
- F-7** Please see responses to Comments F-2 through F-6 above. See also response to Comment F-8, where a conceptual access figure, detailing the proposed waterfront area including public and KGID access areas, has been added to this FEIS.

In addition, photos of the existing KGID pump station and water treatment facility are provided below.



Existing Views of the KGID Pump Station and Water Treatment Facility from the West



Existing Views of the Parking Area North of the KGID Pump Station and Water Treatment Facility



Existing Utility Manholes at the KGID Pump Station and Water Treatment Facility



Existing Utility Box at the KGID Pump Station and Water Treatment Facility



Existing Utility Box and Manhole at the KGID Pump Station and Water Treatment Facility



Existing Fencing Surrounding Utility Box and Manholes at the KGID Pump Station and Water Treatment Facility

F-8

The road surface type for the proposed access road to the KGID pump station and water treatment facility was not specified in the proposed project site plan (Exhibit 3-4) in the DEIS. In response to this comment, Exhibits 3-4A and 3-4B included in Chapter 4, “Revisions and Corrections to the DEIS,” have been added after Exhibit 3-4. Exhibits 3-4A and 3-4B show an enlargement of the refined access road design and the minimum 14-foot-wide hard-surface road with a hammerhead turnaround and oversized vehicle parking accommodated at the KGID pump station and water treatment facility. The hard-surface road would be fully engineered to accommodate the approximate ladder truck weight of 70,000 pounds. The access road refinements shown in Exhibits 3-4A and 3-4B reflect consultation by project engineers with KGID and Tahoe Douglas Fire Protection District that occurred subsequent to the 60-day public review period for the DEIS.

In addition, in response to this comment, Exhibit 3-4 has been revised to reflect the access road refinements incorporated into new Exhibits 3-4A and 3-4B. Exhibit 3-12 has also been revised and is included in Chapter 4, “Revisions and Corrections to the DEIS,” to reflect land coverage numbers consistent with these roadway refinements.

F-9

As noted in this comment, KGID’s existing improvements are located on land owned by Tahoe Shores. KGID’s use of a portion of Tahoe Shores’ property is governed by the December 24, 1997, *Agreement Granting New Easement and Extinguishing Existing Easement* (1997 Easement). A copy of the 1997 Easement is included as Appendix A to this FEIS. KGID constructed its existing improvements before the 1997 Easement was granted. Accordingly, Paragraph 2.A of the 1997 Easement provides:

Tahoe Shores hereby grants a non-exclusive easement to KGID, its successors and assigns, to locate, construct, operate, reconstruct, repair and maintain ***an existing water pumping facility and ozone disinfection facility, an underground electrical conduit all upon the portion of the Property more particularly described in Exhibit B...*** The water pumping facility, ozone disinfection facility, underground electrical conduit and related appurtenances all as described herein shall be referred to collectively as the ‘Improvements’. The 1997 Easement is shown and drawn on Exhibit C, attached hereto and incorporated by this reference.

Exhibit C, a copy of which is included in Appendix A of this FEIS, depicts the footprint of KGID’s existing improvements and the boundaries of its nonexclusive easement. Paragraph 2.G of the 1997 Easement provides:

KGID acknowledges that it is being granted a non-exclusive easement and other parties may also have been granted rights over all or part of the 1997 Easement and that ***Tahoe Shores reserves the right to grant additional easements which may burden the 1997 Easement*** (so long as such additional rights do not interfere with KGID’s rights hereunder).

The proposed beach and swim club building would not interfere with the KGID improvements shown in Exhibit C of the 1997 Easement. Tahoe Shores’ express grant of a nonexclusive easement to KGID and Tahoe Shores’ reservation of rights to grant additional nonexclusive easements “which may burden the 1997 Easement” demonstrates that construction of the proposed beach and swim club building is consistent with the 1997 Easement. Moreover, Paragraph 2.J of the 1997 Easement provides:

Other than to reconstruct or repair existing water lines as further described below, ***KGID is not permitted to add on, modify, increase or relocate the Improvements....***

Consequently, whether or not the proposed beach and swim club building is constructed, KGID has not been granted the right to “add on, modify, increase or relocate the Improvements” or otherwise expand or modify its limited right to occupy a portion of the site to meet future regulatory requirements for improved water quality treatment. Neither the proposed project nor the continuation of existing conditions would result in a significant impact on KGID because the 1997 Easement prohibits enlargement of the KGID Improvements.

- F-10** As described in Section 5.2, “Housing and Population,” the DEIS uses appropriate assumptions regarding population changes expected from the proposed project. Because the project would likely cause a shift toward seasonal and vacation use, total occupancy would be lower in the winter, spring, and fall, than under current conditions. Summer occupancy is expected to be similar to current conditions. Assumptions relative to the demand for parking spaces are described in Section 5.6, “Transportation and Parking.” Finally, the project would not include boat launch facilities, buoys, or permanent mooring. There is no evidence that the project would result in a substantial increase in boating or jet ski activity.
- F-11** Please see responses to Comments E-3, F-7, and F-8.
- F-12** This comment summarizes comments on subsequent pages of this comment letter and each is addressed individually below. Please see responses to Comments F-13 through F-24 for responses to specific comments.
- F-13** In relation to Impact 5.13.A-1, which addresses increased risks to public safety, the commenter states that the proposed project includes residential buildings approximately 104 feet from the KGID pump station and water treatment facility, a major new recreational facility 20 feet to the eastern side of the pump station and water treatment facility, with decks and stairs even closer, and a recreational beach directly west of the pump station and water treatment facility.
- As stated on page 5.13-10 of Section 5.13, “Human Health and Risk of Upset,” under Impact 5.13.A-1, the closest proposed residential unit would be approximately 400 feet from KGID’s Lake Pump Station and Ozone Disinfection Facility, not 104 feet as stated by the commenter. The project proposes to locate future residences farther from the pump station and water treatment facility than current residences. The commenter is correct that the beach and swim club building would be located approximately 20 feet from the pump station and water treatment facility and the recreational beach would be west of this facility. It should be noted, however, as discussed under Impact 5.13.A-1, that residents are currently living on the site and using the beach and lake for recreating, including swimming and boating. The KGID facilities would continue to operate under the same conditions. The project would not create any new hazardous conditions. Because residents already live and recreate in the project area, the proposed project would not result in any new or significant change in existing conditions relative to risk of exposure. Please also see responses to Comments F-14 and F-15 below.
- F-14** The commenter states that the DEIS fails to accurately characterize the number of people who could potentially be at the project site given the proposed assembly room, restaurant, sports area, pools, decks, etc. The commenter further states that under a risk of upset condition, the number of people who could be affected would be increased under the project as compared to existing conditions.

Since construction of KGID facilities, approximately 155 mobile homes have been occupied, primarily by year-round residents. With construction of the proposed project, full-time residency is expected to be reduced substantially (with 70% second-home ownership). Existing recreational facilities close to KGID facilities, including the lake and beach, are subject to uses ranging from low levels of informal and passive recreation to up to 2,000 persons at one time during Fourth of July festivities. Existing access to the property occurs through an unsupervised entrance at Kahle Drive. This historical use of recreational areas adjacent to the KGID facilities has occurred in the absence of supervision or any formal security. Security and recreation personnel associated with the proposed beach and swim club would supervise Beach Club residents, members, and their guests. The proposed project would provide a formal gated access at Kahle Drive, and a 6-foot-tall fence would be constructed along the southern edge of the property (between the proposed project and the 4-H Camp). The proposed project would formalize the pedestrian access to the beach, directing pedestrians to an interpretative path, to the northern edge of the site. The proposed project would provide on-site security and maintenance personnel, resulting in an increased on-site presence, discouraging unauthorized access to the project area. Therefore, use of the beach at peak times would be reduced, monitored, and controlled.

It should also be noted that the adjacency of recreational uses to water treatment activities at Lake Tahoe is common and does not present a significant impact. CH2M Hill was commissioned to conduct an analysis of the KGID facilities in May 2007 entitled “Safety of Ozone at Water Treatment Plants.” CH2M Hill reviewed security issues related to the KGID Improvements and found:

It is common practice for ozone to be used in close proximity to residential and public areas. ***Properly maintained, designed, alarmed, and operated, ozone facilities are safe.*** Nearby residents usually prefer the use of ozone to chemical disinfectants such as gaseous or liquid chlorine for its relative safety....Security measures within the building at water treatment facilities can vary, however, the mere presence of ozone at a facility does not warrant extraordinary security measures. The observed water treatment facilities at Lake Tahoe, using the above security measures, suggest a low risk to public health or safety....The environment and practice at Lake Tahoe suggest that those issues are not a concern.

The proposed project would provide physical barriers and on-site security that do not currently exist. Construction of the proposed project would not result in impacts that increase risks associated with KGID’s Improvements and would reduce impacts compared to existing conditions. Therefore, the impacts of the proposed project are considered less than significant and no mitigation is required. Please also see response to Comment F-15 below.

It should also be noted that whether or not the proposed project is constructed, the risk of upset has been and remains an obligation of KGID in accordance with Paragraph 2.E of the 1997 Easement. The 1997 Easement obligates KGID to maintain its Improvements “... in accordance with applicable laws and regulations” (Paragraph 2.F) and obligates KGID “... to observe and comply with, at its own expense all present, amended and future laws, building codes, ordinances, rules and regulation of the United States of America, the State of California bi-state agencies, and the County of Douglas.” Under either the existing condition or the proposed project, KGID is responsible to maintain and secure its Improvements. Paragraph 2.E of the 1997 Easement makes clear that any and all risks

resulting from KGID's use of a portion of the Tahoe Shores' property is the obligation of KGID. Paragraph 2.E of the 1997 Easement provides, in part:

KGID agrees that, to the fullest extent permissible under the law, it shall indemnify, defend and hold harmless Tahoe Shores, its successors, assigns, affiliates, managers, agents, partners, lenders and employees from any suit, action, claim, demand, lien, loss, damage, defined judgment or decree and any expenses connected therewith, including reasonable attorney's fees, including, but not limited to, claims relating to environmental contamination, ... which is the result of KGID's use of the property pursuant to the 1997 Easement....

F-15

The commenter states that because of the change in the physical setting surrounding the KGID pump station and water treatment facility, which would result in an increased number of people occupying the space within 20 feet of the facility, a formal risk assessment is warranted that should address the worst-case scenario of an upset event during peak hours of project use.

Several studies have been completed detailing the potential for risk associated with the KGID facilities and its proximity to proposed improvements, including the CH2M Hill May 2007 "Safety of Ozone at Water Treatment Plants." These reports state that safety and security measures in place at ozonation plants typically include alarms triggered upon a security breach, and automatic shutdown of the plant during any system failure, drop in line pressure, or an ozone concentration exceedance within the plant. Properly maintained, designed, alarmed, and operated ozone disinfection facilities are safe. Other water treatment plants in the Tahoe area are close to residential and public recreation areas and do not have elaborate security systems or perimeter fencing around their systems, such as those in place at the existing KGID pump station and water treatment facility (refer to Impact 5.13.A-1 in the DEIS). Extraordinary security measures are seldom employed as a means of keeping the public away. In addition, as discussed under response to Comment F-14, proposed use of the project site would be less than under existing conditions, including a reduction of the maximum number of persons at one time occupying space within 20 feet of KGID's facilities. Therefore, full-occupancy events occurring after construction of the proposed project would present a reduced worst-case scenario.

F-16

As noted in response to Comment F-9 above, KGID's use of a portion of the land owned by Tahoe Shores does not empower KGID to "add on, modify or relocate" KGID's Improvements upon Tahoe Shores' property or to construct added treatment processes that would result in an enlargement of the KGID Improvements depicted in Exhibit C. Whether or not the project is constructed as proposed, the 1997 Easement does not grant to KGID the right to construct additional facilities within the 1997 Easement. In other words, this is not an issue over which TRPA has jurisdiction; rather, it is a matter of contract between the parties and KGID, which agreed in 1997 that it did not have the ability to expand within the existing easement area.

If KGID is required to construct additional improvements to comply with additional U.S. Environmental Protection Agency (EPA) water quality standards with a compliance deadline of 2014, it must do so whether or not the proposed project is constructed. Therefore, to comply with the EPA deadline, KGID would be required to construct supplemental facilities off-site.

KGID's need to secure an off-site treatment location to comply with future treatment requirements was addressed in a KGID commissioned engineering study completed by

KGID's engineers, AMEC Infrastructure, Inc. The AMEC report was dated April 12, 2005, and entitled *Kingsbury General Improvement District Lake Pump Station and Ozone Disinfection Facility Beach Club Study—Summary Report* wherein AMEC observed “potential future changes in Lake Tahoe source water quality drinking water regulations” resulted in their recommendation that “...a wise course of action would be to prepare for the long-term future by securing land for a future treatment facility located off-site of Beach Club owned land.” It is worth noting that off-site treatment required by changes in water quality regulations would not necessitate relocation of the existing KGID Improvements permitted by the 1997 Easement.

Off-site water treatment is common, and locating treatment systems near storage facilities is often preferred. In such cases, the risk that potential contamination will occur between the treatment plant and storage tanks is minimized. KGID has not constructed any water storage facilities on-site; all storage facilities are located off site. Increased space for additional KGID treatment systems may be available at other district-owned properties (e.g., storage tank sites); these other remote locations should be explored by KGID before any changes are made to the system to address changing water quality standards and treatment requirements. The proposed project does not foreclose KGID's ability to expand the pump station and water treatment facility; that ability has been foreclosed by the agreement KGID entered into with the property owner. Whether or not the proposed development is constructed does not alter the express terms of the 1997 Easement prohibiting KGID from constructing additional Improvements on site.

F-17

The assumed increase in boating traffic at or near the pier area based on extrapolation of the current socioeconomic composition is speculative. As discussed in Impact 5.5.A-7 of the DEIS and in this comment, the project would not provide new buoys, boat launching facilities, permanent moorings, or other marina facilities; therefore, the project would not contribute to an increase in the number of boats on the lake. The pier's capacity would not be expanded beyond that enabled by the proposed project's 50-foot pier extension, so regardless of the actual or perceived ability of future residents to purchase more watercraft, the capacity of the pier to accommodate it would not be significantly increased. The pier extension may extend the period of time throughout the year when boats can access the pier (i.e., at low-water times).

As described in Impact 5.5.A-7, strict water quality requirements from TRPA are in place for boating activities (e.g., the ban on two-stroke carbureted boat engines, as well as the requirement that boaters conform with Chapter 81 of the TRPA Code of Ordinances, which prohibits discharge of wastewater [bilge water, human waste] to Lake Tahoe). The water intake manifold is underground, several hundred feet away from the pier, and would not be negatively affected because of these TRPA requirements.

Hydrocarbon exposure would not affect the water intake because of the above-mentioned TRPA requirements designed to reduce exposure, and because of the chemical characteristics of the light nonaqueous phase liquid hydrocarbons from watercraft engines, which would volatilize or remain on the surface and not physically mix in the subsurface water intake areas.

F-18

Please see response to Comment F-17 above.

F-19

This comment is general and establishes the framework for more detailed subsequent comments. Potential disruptions to water service that may occur after the completion of construction activities are addressed in response to Comment F-21 below. Vehicle access to the KGID facility is discussed in response to Comment F-8. Land use compatibility, as

it relates to the KGID facility, is discussed in responses to Comments F-22, F-23, and F-24 below.

F-20

Vehicle access to KGID's pump station and water treatment facility is discussed in response to Comment F-8. Potential disruption of service is addressed in response to Comment F-21. As discussed on page 3-24 of the DEIS, the proposed project has been designed to provide snow storage in the landscaped and paved areas throughout the site, not on parking spaces. Snow removal would be provided by the site manager. All snow removal activities would be consistent with TRPA regulations, and access to KGID facilities would be maintained throughout the year. KGID would remain responsible for its own snow removal.

F-21

During construction, any utilities that service the KGID pump station and water treatment facility would remain active until replacement infrastructure has been installed. Any service interruptions that would occur as part of project construction would be planned in consultation with KGID, and temporary service feeds or patches would be provided to avoid service interruption. Configuration of proposed infrastructure would be presented in the civil design drawings, which would be subject to review and approval by Douglas County. All construction would be permitted and would comply with KGID's standard specifications.

The project would include landscaping with vegetation that would create a visual screen around KGID's pump station and water treatment facility. The project's landscape architect would select plants suitable in size to allow access to the plant and its ancillary structures, and would work with utility maps to minimize planting of vegetation with expansive root systems adjacent to subsurface structures.

Utility construction and staging would be planned and performed with full knowledge that the KGID plant cannot experience service interruptions that render the plant inoperable. All utility work that could affect the plant would be coordinated with KGID and would be completed as quickly as possible to minimize the need for temporary feeds or patches.

F-22

Plan Area Statement (PAS) 70A has a community noise equivalent level (CNEL) threshold of 55 A-weighted decibels (dBA). There is no distinction between land use types for noise thresholds within PAS 70A. The threshold would apply to the entire area, including the KGID pump station and water treatment facility, beach areas, and the proposed beach and swim club building. The noise level designated for urban outdoor recreation identified in Table 5.8-4 of Section 5.8, "Noise," is also 55 dBA CNEL.

The land surrounding the pump house is designated as recreation by PAS 70A. It is currently used for recreation and would continue to be used for recreation in the future. No land use designations would change with implementation of the proposed project, no changes would be made to the pump station and water treatment facility building, and recreation would continue to occur in the surrounding area. Furthermore, all noise-generating pump station equipment is enclosed within the facility and would be attenuated by the façade of the structure.

Short-term noise measurement 1 was taken in the parking lot of the Tahoe Shores site manager approximately 50 feet from the pump station and water treatment building. The energy-equivalent noise level (L_{eq}) measurement indicates a noise level of approximately 45 dBA. Under the worst-case scenario—that no other noise sources would contribute to the 45-dBA measurement and that all the noise would emanate from the pump house—

the noise level would be 53 dBA at 20 feet (the projected closest recreation area from the pump house). This is below the applicable threshold of 55 dBA.

Because no land use designation, pump house changes, or use of the area would change and the applicable threshold is not currently being exceeded, nor would it increase, the area is considered in compliance with TRPA regulations.

In regard to the emergency generator, emergency operations are exempt from noise standards under Chapter 23, Section 8 of the TRPA Code of Ordinances.

In addition, compliance with all applicable laws, code, and ordinances, which would include the noise thresholds for PAS 70A, is required under the 1997 Easement. If the KGID pump station and water treatment facility is generating noise levels exceeding 55 dBA CNEL, then it is doing so under existing conditions and in violation of established noise standards, regardless of the development or activities taking place around it.

As noted in responses to Comments F-5 and F-24, peak usage would be decreased and the potential for a breach of security resulting from vandalism or other causes would be decreased with the presence of on-site security and other Beach Club personnel. KGID's pump house is constructed of cinder block and is a secure facility. Security at access points to this cinder block structure may be fortified or video surveillance may be enhanced, but neither action is required as a result of the proposed project. Neither the existing condition nor the proposed project would prohibit KGID from implementing the foregoing measures.

F-23 Please see response to Comment F-22 above.

F-24 The commenter restates concerns regarding the failure of the EIS to provide an adequate level of information and impact assessment to determine whether the potential for significant impacts exists (e.g., increased security concerns). In addition, the commenter requests that TRPA impose reasonable mitigation measures, such as the KGID-requested perimeter fence and surveillance around KGID facilities, to serve as added security.

Please see responses to Comments F-14 and F-15. As discussed in these responses, the project would not result in any new or significant increased risks of exposure to future residents or visitors to the project site. Therefore, no mitigation, above that which is already proposed under the project, is required.

Further, although construction of the proposed project would provide physical barriers and on-site security that do not currently exist, the nonexclusive 1997 Easement expressly authorizes joint use of the property adjacent to the KGID Improvements whether or not the proposed project is constructed.

F-25 The commenter requests that the DEIS be revised and recirculated. Significant new information has not been added to the EIS such that recirculation is warranted. Recirculation is required when "significant new information" is added after notice is given of a DEIS but prior to certification of the FEIS. New information added to an EIS is not "significant" unless the EIS is changed in a way that deprives the public of meaningful opportunity to comment on a substantial adverse environmental effect of the project, or a feasible way to mitigate or avoid such an effect that the project applicant has declined to implement.

“Significant new information” requiring recirculation includes, for example, a disclosure showing that:

- (1) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- (2) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.
- (3) A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the significant environmental impacts of the project, but the project’s proponents decline to adopt it.
- (4) The DEIS was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

Recirculation is not required where the new information added to the EIS merely clarifies or amplifies or makes insignificant modifications in an adequate EIS. This FEIS incorporates information obtained by TRPA since the DEIS was completed, and contains additions, clarifications, modifications, and other changes.

As noted in this FEIS, several comments on the DEIS sought changes to proposed mitigation measures identified in the DEIS. As explained in the FEIS, some of the suggestions were found to be appropriate and feasible and were added to the FEIS. The requested changes to Mitigation Measure 5.9.A-5 described in Chapter 4, “Revisions and Corrections to the DEIS,” supplement or clarify the existing language. The changes to Mitigation Measure 5.2.A-5 related to deed-restricting the 39 off-site replacement housing units to meet the *affordable*-housing criterion were made in response to public testimony and comments made by TRPA Governing Board members at the public hearing on the DEIS held on February 28, 2008. None of the changes involve “significant new information” triggering recirculation because the changes to the mitigation measures do not result in any new significant environmental effects, any substantial increase in the severity of any previously identified significant effects, or otherwise trigger recirculation. Instead, the modifications were either environmentally benign or environmentally neutral, and thus represent the kinds of changes that commonly occur as the environmental review process works towards its conclusion. These changes do not change the significance of any conclusions presented in the DEIS. Under such circumstances, recirculation of the EIS is not required.

Further, as described in Chapter 2, “Modifications to the Proposed Project,” of this FEIS the changes to the proposed project (Alternative A) that occurred since circulation of the DEIS for public review and comment would not result in new significant or substantially more severe impacts, and the construction-related impacts associated with the undergrounding of utility lines at the Nevada State 4-H Camp site would be similar to those analyzed in the DEIS. The modified project does not change the DEIS impact conclusions, eliminate recommended mitigation measures, or require new mitigation. Therefore, it does not require recirculation of the EIS.

Theresa Avance

From: Mark Novak [mnovak@tahofire.com]
Sent: Friday, February 29, 2008 3:30 PM
To: Theresa Avance
Subject: Beach Club on Lake Tahoe

Regarding the Beach Club on Lake Tahoe:

The Tahoe Douglas Fire Protection District has several potential concerns:

- 1) P. 3-8 states that the minimum road width would be 12' in accordance with the TDFPD minimum. 12' is not the TDFPD minimum. The minimum road width is 20'-24" depending upon usage.
- 2) Access to KGID Facility, no dimensions given in EIS, but appears to potentially be less than adequate.
- 3) p. 3-11 proposes usage of existing waterline to serve new construction. Current system capacity is less than our minimum fire flow, more than likely water main would need to be replaced and resized.

These issues have the potential to increase proposed coverage and/or cause increased ground disturbance.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Mark Novak
Battalion Chief - Fire Prevention
Tahoe Douglas Fire Protection District
P.O. Box 919 Zephyr Cove, NV 89448
775-586-1576

2/29/2008

**Letter
G
Response**

Tahoe Douglas Fire Protection District
Mark Novak, Battalion Chief—Fire Prevention
February 29, 2008

- G-1** Please see response to Comment F-8 for a description of access-road refinements that have occurred in response to comments raised by the Tahoe Douglas Fire Protection District and KGID on the DEIS and following consultation with these agencies subsequent to DEIS circulation. The proposed roadway width for the primary access road is 24 feet (see Exhibit 3-4A of the DEIS). The site entry point would remain at a width of 14 feet with a 20-foot clear zone that would provide unobstructed access to the site. All primary access roads would conform to state, county, and local codes for width, load requirements, vertical height limitations, and turning radius.
- G-2** Please see response to Comment F-8.
- G-3** The existing water lines have been pressure tested by the fire district and approach substandard levels of distribution pressure. It is anticipated that new water lines and hydrants would be installed to service the proposed Beach Club improvements. Infrastructure would be upgraded to meet current state, county, and local fire code standards.
- G-4** Hard-surface road materials with fully engineered subgrade base would be used wherever feasible for the proposed project. Land coverage associated with the proposed on-site roadway network was accounted for in the coverage table included in Exhibit 3-12 of the DEIS. Roadway refinements that have occurred since publication of the DEIS are discussed in response to Comment F-8. Exhibit 3-12 has been revised to reflect land coverage numbers consistent with these roadway refinements.

Theresa Avance

From: Scott Brown [sbrown@ntcd.org]
Sent: Monday, February 25, 2008 3:49 PM
To: Theresa Avance
Cc: aroberts@nce.reno.nv.us
Subject: Tahoe Beach Club Comment
Attachments: Water quality support letter.pdf

Theresa, attached is a letter of support from NTCD regarding the enhancement of water quality should the Tahoe Beach Club project implement the preferred alternative.

Thanks,
Scott

=====
SCOTT BROWN
Senior Program Manager--Water Resources Group
Nevada Tahoe Conservation District
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297 Kingsbury Grd
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2/25/2008



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February 21, 2008

Governing Board Members
Tahoe Regional Planning Agency
128 Market Street
P.O. Box 5310
Stateline, NV 89449

RECEIVED
FEB 27 2008
TAHOE REGIONAL
PLANNING AGENCY

Re: Beach Club on Lake Tahoe

Dear TRPA Board Members:

The Nevada Tahoe Conservation District (NTCD) has reviewed the Draft Environmental Impact Statement (EIS) for the Tahoe Beach Club redevelopment project (current location of the Tahoe Shores Mobile Home Park) and supports the Preferred Alternative from a water quality perspective. If the stormwater BMPs associated with the proposed Beach Club Project Preferred Alternative are fully implemented as outlined in EIS, we feel the water quality, hydrologic, and hydraulic enhancement would be significant when compared to the current situation. In addition, the proposed restoration of wetlands to Rabe Meadow will improve the overall function of Burke Creek and the Burk Creek watershed by increasing overbank area, restoring some functionality to the SEZ, and reducing sediment and nutrient load to the lake.

Please contact Scott Brown at (775) 586-1610 x31 if you have any questions.

Sincerely,


Doug Martin
District Manager

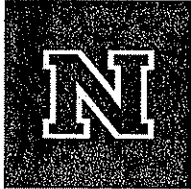
Mission Statement: To promote the conservation and improvement of the Lake Tahoe Basin's natural resources by providing leadership, education and technical assistance to all basin users.

**Letter
H
Response**

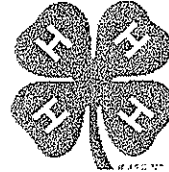
Nevada Tahoe Conservation District
Doug Martin, District Manager
February 25, 2008

H-1

The commenter's support for the water quality benefits related to implementation of the proposed project is acknowledged.



University of Nevada
Cooperative Extension



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FEB 27 2008

TAHOE REGIONAL
PLANNING AGENCY

February 25, 2008

Theresa Avance, AICP
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, Nevada 89449-5310

Dear Ms. Avance:

This letter is in reference to the proposed Tahoe Beach Club, TRPA File #ENVR2007-0003. This letter represents the views of the Nevada State 4-H Camp Advisory Committee, which provides an advisory role to the Nevada State 4-H Camp through authorization in the Nevada Revised Statutes. The Camp is located along the south border of the proposed project. The camp is the property of the University and Community College System of Nevada.

The 4-H Camp has been at this location since it was acquired in 1938. Since that time, per NRS 550, the camp has provided a learning environment to members of 4-H clubs and other youth groups that foster development of high standards of useful and productive citizenship. Young people who attend the camp gain communication, problem solving, decision-making, workforce preparedness skills, social competence, and self and social responsibility. They build life-long friendships while participating in hands-on educational and recreational activities among Lake Tahoe's pristine natural resources.

Our facility is currently in operation year round with both high (summer) and low season use (winter). The average high season occupancy is 150-200 campers, and average low season occupancy is 15-76 campers on any given day. Information about the camp is available at <http://www.unce.unr.edu/4H/camp/>. The youth are lively, enjoy their camping experience to the fullest, and consequently their activities generate a certain amount of noise.

The 4-H Camp is self-supporting, with income generated by leasing the facility to various educational groups for a nominal rental fee. We make every attempt to keep costs as reasonable as possible so that youth from many different backgrounds are able to attend. Facilities such as the 4-H Camp which provide youth with low-cost access to educational activities in Lake Tahoe's unique environment are in short supply.

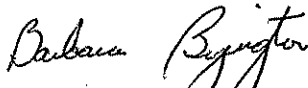
The Advisory Committee of the Nevada State 4-H Camp has developed a collaborative relationship with the Tahoe Beach Club and we have had numerous discussions with them that have resulted in positive outcomes for the 4-H Camp property to include offsite mitigation for privacy of bathroom areas in the Nevada State 4-H Camp, landscaping and design, beach security and boat dock provisions, changing building orientation, among others. We feel they have been making sincere efforts to meet our requests from the previous Scoping Meetings.

In response to the Environmental Impact Study, campus faculty with expertise in natural resources and the environment were asked to review the document. The following item regarding the EIS was generated by the Nevada 4-H Camp Advisory Committee. We would support Alternative A if the following concern is addressed:

- o Existing Water Rights and conveyance systems need to be addressed.
Pipeline from Folsom Springs needs to be addressed to be sure that existing water lines and conveyance are not adversely affected.

I am available to answer any questions you might have about the Nevada State 4-H Camp. You may contact Travis Lee, the Facility Manager at 775-848-7823 or Carol Benesh, Director of Operations at 775-784-4378.

Sincerely,



Barbara Byington, President
Nevada State 4-H Camp Advisory Committee
University of Nevada Cooperative Extension
775-782-2368

cc:

Harmen Zuckerman, Douglas County Community Development
Douglas County Commissioners
Douglas County Planning Commissioners
TRPA Governing Board
John Singlaub, Executive Director, TRPA
Dean Karen Hinton, University of Nevada Cooperative Extension
President Milton Glick, University of Nevada
Mary Phelps Dugan, General Counsel, University of Nevada, Reno

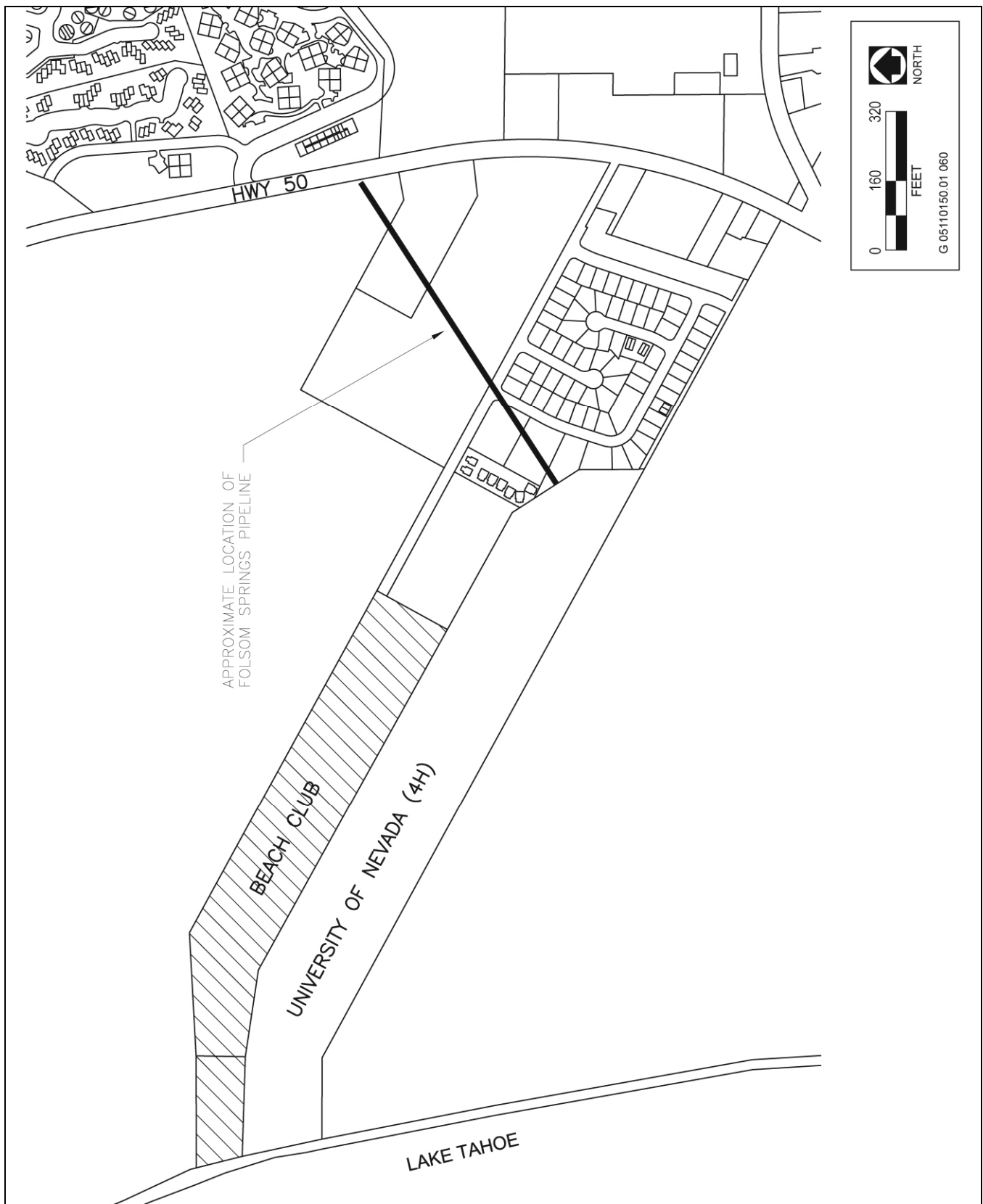
Nevada 4-H Program Office
University of Nevada, Reno/405
1305 Evans Avenue
Reno, Nevada, 89557
(775) 784-6206
(775) 327-5125
<http://www.unce.unr.edu/4H.html>

A Partnership of Nevada Counties, University of Nevada and U.S.D.A.

**Letter
I
Response**

University of Nevada Cooperative Extension,
Nevada State 4-H Camp Advisory Committee
Barbara Byington, President
February 27, 2008

- I-1** This comment provides background information on the 4-H Camp only; it does not address the adequacy of the DEIS.
- I-2** This comment recognizes the benefits of the collaborative efforts that Beach Club, Inc., has made to refine the proposed project to address concerns raised by 4-H Camp staff; it does not address the adequacy of the DEIS.
- I-3** The existing water conveyance pipeline that extends from Folsom Springs to the 4-H Camp is shown in Exhibit 3-1 below. Exhibit 3-1 was prepared based on the water rights and diversion application dated October 16, 1939 (Number 01465), and provided as an attachment to the commenter's letter. The dimensions have been scaled from the quarter section lines shown in the original application, and are shown in relation to the proposed Beach Club on Lake Tahoe project site. This water conveyance pipeline is outside of the proposed project footprint and would not be affected by construction or operation of the proposed project.



Source: Nichols Consulting Engineers 2008

Location of Folsom Springs Pipeline

Exhibit 3-1

SECTION C: ORGANIZATIONS

FALCON CAPITAL, LLC

RECEIVED

FEB 28 2008

TAHOE REGIONAL
PLANNING AGENCY

February 26, 2008

Tahoe Regional Planning Agency
Governing Board Members
PO Box 5310
Stateline, NV 89449

**VIA FACSIMILE at
(775) 588-4527
Attn: Theresa Avance
Original to follow via US mail**

Re: Beach Club on Lake Tahoe

Dear Members,

We write this letter to express our support of the proposed Beach Club project, located at the end of Kahle Drive in the Oliver Park General Improvement District (GID) area.

A few years ago, Falcon Capital, in cooperation with Douglas County, constructed the Kahle Drive Water Quality Improvement Project (WQIP) within the Oliver Park GID area. The Kahle Drive WQIP included SEZ restoration and installation of stormwater drains and basins to treat runoff from upgradient developments. Implementation of the Beach Club project, which includes two (2) acres of SEZ restoration and other water quality improvements, will continue the effort toward attainment of the water quality thresholds in this area.

Projects like the Beach Club provide an essential public/private partnership and funding component necessary to implement environmental improvements basin wide.

Sincerely,



G. Randy Lane
Managing Member
Falcon Capital, LLC

cc: Theresa Avance, TRPA

178 Hwy 50, Suite B, P.O. Box 456, Zephyr Cove, NV 89448 (775) 588-5617 ph (775) 588-2847 fax

**Letter
J
Response**

Falcon Capital, LLC
G. Randy Lane, Managing Member
February 28, 2008

J-1

The commenter's support for the environmental benefits of the project is acknowledged.



RECEIVED

MAR 03 2008

TAHOE REGIONAL
PLANNING AGENCY

1300 BUCKEYE ROAD, SUITE A • MINDEN, NEVADA 89423

OFFICE: (775) 782-2588 • FAX: (775) 782-4158

February 25, 2008

Members of the Governing Board
c/o Theresa Avance, Senior Planner
Tahoe Regional Planning Agency
128 Market Street
Stateline, NV 89449

Re: Beach Club Project

Dear Governing Board Members:

We understand you will be considering comments on the Draft Environmental Impact Statement for the proposed Beach Club on Lake Tahoe at the February Governing Board meeting. On behalf of our Edgewood Golf Course and Edgewood Water Company, Park Cattle Company submits this letter in support of the proposed project.

Edgewood Water Company's drinking water intake line is located just west of the Beach Club site, and we appreciate the water quality benefits that will result from implementation of the proposed project. Currently, the project site contains no BMPs and runoff from the site discharges untreated into Lake Tahoe. The project's proposed BMPs and reduction in coverage will significantly reduce the amount of sediment discharged to the lake. Accordingly, the water quality in this area will be substantially improved as a result of this project.

The Beach Club project will also improve the land use and scenic quality in the area by, among other things, undergrounding power lines and screening the existing water treatment plant with trees and other vegetation. As an adjacent property owner, Park Cattle Company welcomes the many benefits the proposed project will bring to the area.

Thank you for your consideration of Park Cattle Company's comments.

Sincerely,

Brad Nelson, President
Park Cattle Company

cc: Bob Mecay
Douglas County Board of Commissioners

EDGEWOOD TAHOE GOLF COURSE • PARK RANCH LLC • PARK RANCH STORAGE • EDGEWOOD WATER CO. • PINE FROST INN

**Letter
K
Response**

Park Cattle Company
Brad Nelson, President
March 3, 2008

K-1

The commenter's support for the environmental benefits of the project, including benefits to Edgewood Water Company's drinking water intake line, is acknowledged.

SECTION D: INDIVIDUALS

February 27, 2008

TRPA
Theresa Avance, AICP
PO Box 5310
Stateline, NV 89449

RECEIVED
MAR 03 2008
TAHOE REGIONAL
PLANNING AGENCY

Dear Theresa,

I am a resident of Tahoe Shores. I think it well past the time where my opposition to the project would be effective in any way but I would like to express a few thoughts.

1. I think every effort should be made by the developers to put everyone in a similar situation they have now. I believe the statutes read that the unit and 2 extra pieces (I'm taking poetic license here) will be moved for the owner. If I was to find a place to move my mfg home – I would want my two decks and shed moved as well.
2. For the buyouts, the FMV should be based as if the unit were in a operating park, not a property to be developed. The homeowners should not lose value just because they are in a situation they can not control. This becomes even more true if, for example, the units are then given to someone who happens to own several parks and can take the units and profit from that exchange. The only people who should profit from these units are the homeowners.

I think it's important that the buyouts are not a source of cost savings for the developer. It was their choice to uproot residents, change the composition of the neighborhood, and allow the deterioration of the park. There should be no circumstance where moving or buying out residents should be a source of revenue.

I'm hoping that this will be a truly cooperative effort. I would hate to see that the surveys were only an exercise to gather information and not taken as an opportunity to work with the residents. There are really not many left. I am planning to move my place although the current loan situation is making that very difficult even though I have decent income and great credit.

I'm not sure 6 months is really a fair amount of time to make any arrangements, especially moving to another property given the current economic climate. Every effort should be made to make this a smooth transition for all involved.

Thank you for your time,

Resident,
Tahoe Shores

(For now I wish to withhold my name).

**Letter
L
Response**

Name Withheld
March 3, 2008

- L-1** Relocation of the Tahoe Shores Mobile Home Park units would occur in accordance with the Nevada Revised Statutes (NRS) as discussed in Section 5.2, "Housing and Population," of the DEIS. NRS Section 118B.177 provides for the compensation of certain outbuildings or appurtenances. Owners of the park would comply with state statute that requires them to pay to move mobile homes to mobile home parks within 100 miles. If a mobile home cannot be moved, the owners of the park would incur the unit disposal costs and provide fair market compensation for the unit.
- L-2** The commenter asserts that the fair market value should be determined as if the unit were in an operating park, not a park to be redeveloped. According to the NRS, a qualified mobile home dealer would establish the value of units that cannot be moved to another park. Additionally, extensive research conducted during preparation of the DEIS showed that the value of mobile homes is greatly influenced by the age and condition of the unit. The examination of sales prices showed little variation in price or price per square foot regardless of the location. The price per square foot appeared to be highly correlated to the size and age of a unit. Additionally, all tenants in Tahoe Shores have been on month-to-month leases for several years.
- L-3** The commenter asserts that 6 months may not be enough time to make arrangements for moving a mobile home to another park. Park closure and relocation are governed by the NRS, which requires a notification of at least 6 months. NRS Section 118.177(6) requires that written notice of any closure be served timely on each tenant in the manner provided in NRS Section 40.280, giving the tenant at least 180 days after the date of the notice before he or she is required to move his or her manufactured home from the lot.

**JAN M. CHRISTENSEN
PO BOX 10828
ZEPHYR COVE, NV 89448
(775) 588-2357**

RECEIVED

JAN 30 2008

TAHOE REGIONAL
PLANNING AGENCY

January 18, 2008

Theresa Avance, AICP, Senior Planner
Tahoe Regional Planning Agency
PO Box 5310
Stateline, NV 89449

RE: Beach Club on Lake Tahoe Draft EIS

Dear Ms. Avance:

This letter is written as an opposition to the Beach Club on Lake Tahoe. I am currently a resident of Tahoe Shores Mobile Home Park, and if this development is allowed to go forward, many of us will be left homeless and penniless. I understand that people should not stand in the way of progress, but the residents of Tahoe Shores have been treated, and will continue to be treated, like pieces of garbage that are disposable and unimportant.

There are several of us who have lived in the park for over 20 years, most are senior citizens, and on restricted incomes. I, myself, am a disabled, single, female who is struggling to survive day by day. We have been lied to, taken advantage of, and harassed by employees of South Shore Capital, LLC, and it will only get worse if this project is approved. Even Judge Glasson of the Tahoe Township Justice Court has said that they have done some "bait and switch" regarding our rental amounts and payments of "water and sewer". Refer to Court Case 07-SC-0025. Senior Citizen residents of Tahoe Shores have endured Elder Abuse by South Shore Tahoe/South Shore Capital, LLC employees and attorneys

When Oliver Kahle developed and opened what is now Tahoe Shores, he did so because there were many casino workers and seniors who needed affordable housing. He developed a place they could call home, and a safe location in which to live. He cared about the people of the Douglas

Theresa Avance, AICP, Senior Planner
January 18, 2008
Page 2

County portion of Lake Tahoe. He watched over the residents and quickly responded to their requests and needs. He would be truly upset as to how we are being treated by South Shore Capital, LLC. They have turned this location from a lovely place to live to a slum. They have failed to keep up maintenance in the park and have let less than desirable people set up residency within the park, among other non-actions that have degraded the area and the value of our property. Will they treat their condominiums in the same manner? It would be my guess that the answer to that question is "YES"!

Tahoe Shores was once considered affordable housing for low-income workers. When South Shore Tahoe, LLC purchased the park they substantially raised the rents to unaffordable amounts and are now saying that the park is not considered affordable housing. This is unfair to the Senior Citizens and the disabled who reside there.

Now, we are on the edge of a recession. In a recent 2007 housing study of the Lake Tahoe Basin, the statistics show that people are not buying condominiums in the entire basin. Will these excessive condos sit empty and begin to run down and be another unnecessary project within the basin, or will TRPA do the right thing and deny this project and allow the current homeowners to live in peace and as they were living before 2002? Is South Shore Tahoe, LLC able to secure financing for their project, or will they kick out all of the current homeowners then allow the property to remain undeveloped, when the current residents could have remained in their homes undisturbed?

There are several other reasons that this project should not be allowed to proceed:

1. The area has the Tahoe Yellow Cress located on its beaches, and this is truly an endangered plant. To disrupt it would lessen the already small areas where this plant grows.
2. There are surely Native American artifacts in the area. They have been located on both sides of Tahoe Shores and therefore, are probably located here.
3. The proposed pier is a danger to the 4-H campground, Nevada Beach, and especially the lake and its clarity. With more boat engines in the area, the pollution would be greater, and the KGID water source would

be in danger of pollution and/or destruction.

4. The water intake for KGID is in greater danger of being compromised by people who might know that it is located in that area and could cause damage or even use some means of terrorist activity to the intake and/or the water supply. This water supply is for thousands of people, and their lives could be in danger if this was to happen.

5. The developers want to build close to the KGID water pump station, and although there are claims that the ozone within the station is not an issue, can anyone be completely sure? I would not want to "bet the farm" on that! Knowing the toxicity of ozone, and the type of people living in the world today, it could mean a local disaster that could even become nationwide. In addition, the developers are trying to make it extremely difficult for KGID to check the pump station, and as far as I can tell, they are being difficult concerning security of the station.

There should be some type of mitigation regarding the homeowners being fairly compensated for their homes. They should not receive the paltry sums of money being offered by the developers. I have a three bedroom, two-bathroom home, with a large living area and a nice kitchen. They want me to move into a one bedroom, 1 bath apartment that would not begin to hold my belongings. I am used to having my belongings within my home and do not want to be without them. The developers have offered the homeowners \$5,000.00 for their homes, after taking large sums of money from us for over five years by their outrageous rents. The rents are so high that this is no longer the "affordable housing" that it was at one time. This is completely unfair. They have harassed, betrayed, lied to, and bullied the homeowners so that their once beautiful place to live and be safe is now a rundown, ugly, unsafe slum, yet they continue to charge their outrageous rents and illegally charge for water and sewer, which are included in our monthly rent as stated in our rental agreements.

Their attorney, Lewis Feldman, likened Tahoe Shores to mobile home parks in Malibu, California. Well, those homes are worth around \$1 million EACH. Moreover, the parks there have many amenities, which we do not have, and they have park owners who keep their property in a clean, safe environment. There is also rent control in Malibu for mobile home parks. Therefore, the homeowners of Tahoe Shores should receive an amount

Theresa Avance, AICP, Senior Planner
January 18, 2008
Page 4

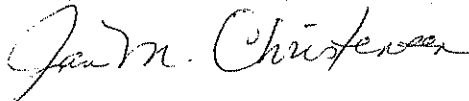
comparable to what the homeowners in Malibu receive. I have a letter in which Mr. Feldman states this to the Douglas County Commissioners. (Refer to the enclosed copy). If he felt that way in 2002, then the same should hold true today.

When this project was brought before the TRPA Board of Directors in 2005, several members of the board were adamant that we, the homeowners, be given fair, honest compensation. As I check the written EIS for this project, I do NOT feel this has been accomplished or that the developers plan to follow that directive. This should be cause to reject this project in and of itself, but with the rest of the situations I have also included in this letter, there are many reasons this project should not be given approval. The bottom line is that the lives of many people will be devastated by this project, and why does Tahoe need another condominium project when there are already so many that none of them are at capacity?

I do hope that you will look at the minutes of the first hearing your agency held in 2005 and see what was discussed by the public and the Board of Directors.

Thank you for reading this letter and taking it into consideration. The entire Judgment by Judge Glasson is available from me if you wish to read the entire document.

Sincerely,



Jan M. Christensen
Enclosures

1 Consolidated Case Nos.: 07-SC-0025 &
2 07-CV-0040

FILED

07 AUG 21 AM 8:54

TAHOE TOWNSHIP
JUSTICE COURT

CLERK

3
4
5
6 IN THE TAHOE JUSTICE COURT
7 COUNTY OF DOUGLAS, STATE OF NEVADA
8

9 MONROE FRIEDLING,
10 Plaintiff¹,

11 Vs.

12 SOUTH SHORE TAHOE, LLC, dba TAHOE
13 SHORES MOBILE HOME PARK,
Defendant².

} FINDINGS OF FACT, CONCLUSIONS OF LAW
and JUDGMENT

14 BE IT REMEMBERED that this small claim hearing and civil trial came on regularly for hearing
15 on Thursday, August 16, 2007. Plaintiff appeared personally. The defendant appeared through Tom
16 Castaneda and was assisted by its counsel, Michael K. Johnson, Esq. The parties and witnesses provided
17 testimony and documentary evidence. Whereupon, the matter was submitted to the Court for decision.

18 PROCEDURAL HISTORY

- 19 1. Plaintiff MONROE FRIEDLING commenced a small claims action on May 29, 2007. The
20 matter was set for a small claims hearing on June 26, 2007.
21 2. At the request of defendant SOUTH SHORE TAHOE, LLC, dba TAHOE SHORES MOBILE
22 HOME PARK the small claims hearing was continued to August 14, 2007.
23 3. On July 24, 2007 defendant filed a civil action against plaintiff. The defendant moved to
24 consolidate the civil action with the small claims action.
25 4. The plaintiff answered the complaint and objected to consolidation.
26
27
28

¹ Mr. FRIEDLING is the defendant in civil action 07-CV-0040.

² This corporation is the plaintiff in civil action V-0040.

JUDGMENT - 1

1 15. Equitable estoppel generally comprised of the following elements: (a) The party to be estopped
2 must be apprised of the true facts; (b) he must intend that his conduct shall be acted upon, or must
3 so act that the party asserting estoppel has the right to believe it was so intended; (c) the party
4 asserting the estoppel must be ignorant of the true state of facts; (d) he must have relied to his
5 detriment on the conduct of the party to be estopped. *Mahban v. MGM Grand Hotels*, 100 Nev.
6 593 (1984)
7

8 16. Plaintiff did not intend that anyone rely upon his acquiesce to defendant's demand for Utility
9 payment. Defendant initiated the payments by imposing the Utilities charge unilaterally -- and
10 immediately -- after informing its tenants that they were all "required to enter into a new rental
11 agreement (with new rules and regulations)".⁸ Defendant was not ignorant of the true facts. To
12 the contrary, defendant attempted to raise rents in the guise of a *bait* (temporary lower rent) and a
13 *switch* (permanent payment of Utilities). Defendant has not proven any reliance upon plaintiff's
14 action/inaction. Defendant has not proven detriment.
15

16 17. Defendant explained its decision to impose a Utilities charge in lieu of a rent increase as a
17 "political" decision. Defendant asserted that requiring its tenants to shoulder the Utilities cost had
18 twin advantages of a "cost of living adjustment"⁹ and water conservation.
19

20 18. Defendant's representative testified that since imposition of the new Utilities charge, water use
21 has dropped.¹⁰
22

23 19. NRS 118B.153 (1) provides that a landlord must decrease rent proportionately when a Utility
24 service is *decreased* or *eliminated*. But the Utilities have been neither decreased nor eliminated.
25 The quality and quantity of Utilities is a constant. That only thing that has happened regarding
26

27 ⁸ Exhibit "4".

28 ⁹ Any increase in the cost of Utilities would be borne by the tenant instead of the landlord, thereby increasing the tenants' cost to live in Douglas County.

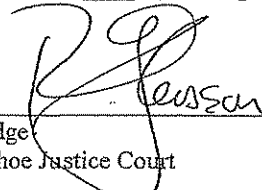
¹⁰ However, no foundation, study or facts indicate why water use has gone down, e.g., a drop in Park occupancy?

1 26. One of the "Rights of a Tenant"¹³ in a Park has the right to make his rental payment in cash. NRS
2 118B.150 (1) (d). Another is to have Park management available to meet with him during office
3 hours or when the Park's manager is on site. NRS 118B.080 (3).
4
5 27. Defendant refuses to allow plaintiff to go to defendant's offices. However, this Court is without
6 jurisdiction to award any equitable relief regarding any alleged denial of plaintiff's rights
7 regarding cash payments and access to Park management. Plaintiff has not proven any money
8 damage as a result of these denials of plaintiff's rights.

9 JUDGMENT

10 NOW, THEREFORE, judgment shall be entered in favor of the plaintiff for \$2,820.22, plus costs
11 of suit of \$86.00.
12

13 Dated this 20 day of August 2007.

14 
15
16 Judge
17 Tahoe Justice Court
18
19
20
21
22
23
24
25
26
27
28

¹³ NRS 118B.065-185, inclusive.

LEWIS D. FELDMAN
LESLIE J. SHAW
MICHAEL J. McLAUGHLIN
MARK T. GALLAGHER
COURT REPORTER - FAMILY LAW
THE STATE BAR OF CALIFORNIA
BOARD OF LEGAL SPECIALIZATION

FELDMAN SHAW, LLP
102 U.S. HIGHWAY 50
POST OFFICE BOX 1249
ZEPHYR COVE, NEVADA 89446
TELEPHONE (775) 555-5311
FAX (775) 555-5447
EMAIL: feldmanshaw@aol.com

CALIFORNIA OFFICE
POST OFFICE BOX 14082
SANTA MONICA, CA 90406
TELEPHONE (310) 544-3731

October 2, 2002

COPY

Douglas County Commissioners
P.O. Box 218
Minden, NV 89423

VIA FACSIMILE 775/782-6255

Re: Tahoe Shores Mobile Home Estates
October 3, 2002, Agenda Item 48 - Rent Control

Dear Commissioners:

We represent South Shore Tahoe, LLC, owner of the Tahoe Shores Mobile Home Estates (the park). The purpose of this letter is to respond briefly to the request of the homeowners for an emergency ordinance limiting rent increases and to advise the Board of the owner's proposal to resolve this matter.

Initially, while we do not wish to address each point of contention raised by the homeowners, it is important to comment on the allegation the owners are trying to exploit the homeowners in furtherance of park redevelopment. This allegation is completely devoid of merit.

The new owners purchased the park in February 2002 with the expectation of redeveloping this lake-front property. Such redevelopment will result in significant environmental benefits, including reduction in land coverage and stream environment zone restoration. The proposed redevelopment, while not firm in terms of planning, has never been concealed from the homeowners and, in fact, has been unequivocally disclosed during homeowner meetings and in the new park leases. While the owners have retained consultants to investigate redevelopment options, at this time it is not known whether redevelopment will ever come to fruition. Nonetheless, the new owners have never led the homeowners to believe their plan for the park includes anything other than redevelopment.

Despite the homeowners' implication to the contrary, the new owners have never raised rents and, in fact, rents have not been raised since January 2002 (prior to the change in ownership). At that time, the homeowners also requested a rent control ordinance, which request the Board denied.

The homeowners contend the proposed rent increase is exorbitant when compared to other mobile home parks located in Douglas County. However, this claim ignores the unique location of the Tahoe Shores Mobile Home Park. This twenty-acre park is located on the shores of Lake Tahoe immediately adjacent to pristine Rabe Meadow, which is governmentally owned and protected. The

Douglas County Commissioners
 October 2, 2002
 Page 2

park is a gated community with a private beach and private pier, and the adjoining lake-front parcels are undeveloped. Certainly, there is no comparable manufactured home park at the Lake, and none of the other Douglas County parks identified by the homeowners are located on the shores of Lake Tahoe.¹ Parks located on, or very near, the beach in southern California command rents in excess of \$2,700.00 per month. Accordingly, a monthly rent of \$642.00 is eminently reasonable considering the location and amenities offered at Tahoe Shores. Further, homeowners who may require rent assistance have the resources of the State of Nevada available to them pursuant to the Lot Rent Subsidy Program, which provides financial aid to qualifying low-income mobile home park residents by paying twenty-five percent of their monthly rent. In addition, the park owner has in place a park subsidy program for the above-mentioned homeowners.

The homeowners further contend the park owners seek to increase rents in order to purchase the homes in the park at a fraction of their value. In support of this claim, the homeowners provide three examples: a home that was allegedly worth \$60,000 was purchased by the owners for \$15,000; a home that was allegedly worth between \$30,000 and \$35,000 was purchased by the owners for \$8,000; and a home that was allegedly worth \$15,000 was sold to the owners for \$3,500. These factual representations are inaccurate. The alleged \$60,000 home was listed for sale for \$28,000 and was purchased for \$15,000. The seller of this home was represented by a real estate broker in this transaction. The alleged \$35,000 home was listed for \$12,000 and was purchased for \$8,000. Again, the seller of this home was represented in this transaction by a broker. Moreover, both of these transactions were agreed to before the rent increase was announced and, as a result, any perceived decrease in value could not have been caused by the announced rent increase.

The owners are not trying to diminish the value of the homes within the park. In fact, they believed they were providing a service to the homeowners, who had their homes on the market with no pending offers, and they entered into arms-length transactions with these homeowners. The park owners are not in the business of, nor are they interested in, purchasing manufactured homes. They will not buy any homes in the park not previously agreed to if this is the desire of the Board and the homeowners association. The owners do not want there to be any imprimatur of wrongdoing.

The owners have complied with all applicable Nevada State Laws governing rent increases for manufactured home parks. The operation of manufactured home parks in Nevada is governed by NRS 118B.010, *et seq.* This statutory scheme is enforced by the Manufactured Housing Division of the Nevada Department of Business and Industry. Before any of the proposed rent increases were finalized, the owners of the park discussed their proposal with the Manufactured Housing Division.

¹ The one park identified by the homeowners within the Tahoe Basin, Tahoe Verde Mobile Home Park in South Lake Tahoe, borders an industrial area, is not on the Lake and has no Lake view, and has no amenities comparable to those at Tahoe Shores.

Douglas County Commissioners
October 2, 2002
Page 3

Further, our research reveals that because Nevada has enacted a statutory scheme to protect homeowners within manufactured home parks, and specifically because part of that scheme is designed to provide financial assistance to low-income homeowners, County actions purporting to regulate rents may be preempted.

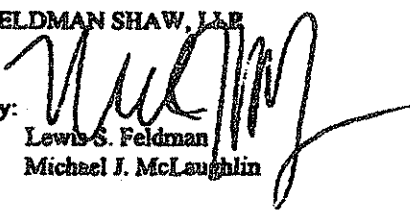
The park owners, in the event of a proposed change in use, seek to deal fairly with the homeowners in the process of the potential redevelopment of the park, which includes payment of relocation benefits pursuant to state law. In furtherance of this goal, the owners ask the Board and the homeowners to take the rent control request off the agenda in consideration of the owners withdrawing the proposed rent increase without prejudice until an October 29, 2002, meeting between the park owners and the homeowners. This meeting was scheduled prior to the homeowners' request for rent control, and its purpose was to discuss park business, including redevelopment. Therefore, we propose that the parties should discuss, at the October 29, 2002 meeting, the proposed rent increase, and other items of concern, in an effort to reach a mutually agreeable resolution of the issues and then report back to the Board in November.

We appreciate your consideration of the foregoing.

Respectfully submitted,

FELDMAN SHAW, LLP

By:


Lewis S. Feldman
Michael J. McLaughlin

LSF/MJM/jps

cc: South Shore Tahoe, LLC
Stateline Homeowners Association, Inc.

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- M-1** This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
- M-2** The comment asserts that Tahoe Shores was once considered affordable housing for low-income workers and that increasing rents is unfair to the senior citizens and disabled persons who reside there. Tahoe Shores carries no formal designation as an affordable housing option for low-income workers. In fact, a variety of people from different economic backgrounds own mobile homes in the park. For example, 20–25 units have been owned by people who reside outside the Tahoe Basin and use the park as a second or vacation home. Tahoe Shores seniors and disabled persons who qualified were offered a rental subsidy, thereby mitigating/offsetting rent increases. Seven residents are still on the subsidy program.
- M-3** This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
- M-4** Potential impacts on Tahoe yellow cress have been evaluated in Section 5.9, “Biological Resources,” of the DEIS, and extensive mitigation measures have been identified therein that would avoid disturbance or removal of this plant species.
- M-5** Potential impacts on previously undiscovered cultural resources, including Native American artifacts, have been evaluated in Section 5.11, “Cultural Resources,” of the DEIS, and mitigation measures have been identified and described to address any potential cultural resource discovery during construction.
- M-6** Please see response to Comment F-17.
- M-7** Please see response to Comment F-17.
- M-8** Please see responses to Comment F-14, F-15, and F-24.
- M-9** As discussed in Section 5.2, “Housing and Population,” of the DEIS, mobile home owners would receive compensation (relocation or disposal) in accordance with NRS Section 118B.177 if Tahoe Shores is closed. If a mobile home cannot be moved, the Nevada Revised Statutes require the owner of the park to pay the market value of the mobile home, as determined by a mobile home dealer. Because of the age of many current units and unlikely acceptance at another park, many existing mobile home units would be disposed and mobile home owners would receive monetary compensation equal to the market value of the unit. For some older units, the owners could be financially responsible for all or a portion of disposal costs if the value of the mobile home does not exceed the disposal costs. Disposal costs for most units would be approximately \$5,000 per unit.
- Please also see response to Comment M-2.
- M-10** Please see response to Comment M-9.
- M-11** This comment provides closing remarks only; it does not address the adequacy of the DEIS.

Ladies and gentlemen, my name is Jan Christensen and I am a long-time resident of Tahoe Shores.

RECEIVED

FEB 27 2008

TANDEM REGIONAL
PLANNING AGENCY

The nation, and especially the Lake Tahoe Basin are in a recession, and a depression could soon follow. Building is at a virtual standstill; most multi-million dollar projects in the nation are having a hard time getting financing. Does So Shore Tahoe, LLC have their financing in order? When they bought Tahoe Shores they used Fannie Mae funds- was that legal? They have not helped the Affordable Housing issue, they have destroyed it!

Tahoe Shores used to be affordable, clean, well-maintained and a safe place to live. So Shore Tahoe, LLC has turned it from Tahoe Shores Mobile Home Estates to Tahoe Shores Trailer Park. Mr. Feldman himself has called it that in his previous presentations. They have never cared about the residents, their displacement, or their futures.

~~XX~~ Since Joanna Castle became manager, she has continually and maliciously told homeowners lies about the community. Every couple of months she has informed us, always verbally,

that we would be receiving our eviction notices in two or three months. This has continued for over three years and has caused panic within the park. ~~???~~

In 2002 South Shore Tahoe's attorney, Lew Feldman, wrote to the Douglas County Commissioners that Tahoe Shores should be compared to parks in the Los Angeles area. Well, those people are receiving about One Million dollars for their homes when they sell them. If that is the case, our compensation should be at that same level.

On February 24, 2004, members of the TRPA Governing Board said they wanted the current residents fairly compensated - especially Mr. Swobe, who questioned Mr. Mecay as to how the residents ^{would} be compensated. Mr. Swobe, I can tell you we are not going to be compensated fairly - Mr. Mecay wants to throw us out with no compensation!!
This EIS fails to fairly and equitably mitigate the housing issue. The residents want to be treated fairly and this EIS does not even come close.

As I look at this EIS, the housing section in particular, section 5.2, if you care to follow along with me, has many errors.

1. All of the statistics in Table 5.2-2 regarding Tahoe Shores 2000 census, households and occupancy are grossly different than they are today. Those figures should have NO weight in this 2008 EIS.

2. The same goes for Table 5.2-3, which uses statistics from 2004. South Shore Tahoe has moved out ~~and~~ several of their rental units, and many of the ones currently in the park are not occupied, mostly due to being uninhabitable. The mobile home park is run down, the roads are in dangerous shape, there are major water leaks that the owners fail to remedy, and they say we live in a "gated community" but the gate is non-functional more than it is in working order.

3. Table 5.2-4 supposedly gives the Estimated Occupancy cost of a typical Tahoe Shores unit. First, this is like the other tables in this section, in that it is outdated. Most of the people who are still residing in the park as homeowners have been here for many years, and therefore they have no Loan Payments - **THEY OWN THEIR HOMES OUTRIGHT.** The statement

regarding insurance on our homes is also false. I have had my home insured with State Farm since I purchased it - it is 33 years old and they still cover it.

4. Many ^{if not most} of the homeowners in Tahoe Shores are below the poverty level. The income levels listed in this section do not represent those of us who are trying to save our homes. None of the people gathering the information came to any of us to find out how much income we actually have. No one talked to us about how our lives would be affected by this project. No one asked because no one cared.

4. Randy Lane - "Mr. Redevelopment", another client of Lew Feldman's, has been purchasing property all over the area and redeveloping that property. At this time, he is the developer of the "HOLE IN THE CITY" - supposed future site of hundreds of condos. He would buy a sewer to redevelop. For years, he had the chance to purchase Tahoe Shores, and never did. I am sure he had valid reasons why he stayed away from Tahoe Shores as he purchase a large apartment complex adjacent to the Park. He

was even on your Planning Commission at the time South Shore Capital bought Tahoe Shores. This Board has approved all of his redevelopments in less than a year. This project was started in 2002, and is still not completed. Maybe someone with TRPA or one of the Board members should contact Mr. Lane and ask him why he didn't purchase Tahoe Shores. The Tahoe Basin DOES NOT need more condominiums!!

Tahoe Shores is more than a group of mobile homes in one place. It is a community of people. In the past, when the homes were owned by individuals, we worked together, played together and supported each other at all times. I became very ill in 2004 and was transported to Washoe Med by ambulance. While I was there recovering from major surgery my neighbors called, came to Reno to bring me personal items, and took care of my home and my cat during my long stay. When I was recovering from another surgery in Carson City, Mike Newell came down when I called him to, to help me escape a convalescent hospital where I had been incarcerated. If he had not come to get me, I would

have died in that place. When I had both knees replaced in 2006, friends came to visit, called me, and when I came home they were there to help me. These people are like family to me, and South Shore Tahoe wants to take them all away from me. I am fighting with everything I have to save my friends and neighbors like Betty, Helen, Norma, and Monroe. They need a voice and I am trying to be that voice.

Ladies and Gentlemen: please make sure that my friends and neighbors are taken care of. Don't let them be homeless or be taken advantage of.

Jay Christensen
PO Box 10828
Zephyr Cove, NV 89448

**Letter
N
Response**

Jan Christensen
February 27, 2008

- N-1** This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
- N-2** Please see response to Comment M-9.
- N-3** The commenter asserts that the EIS fails to fairly and equitably mitigate the housing impact of the project, and that while the residents want to be treated fairly, this EIS does not even come close. The comment also asserts that Table 5.2-2 should not be used in the EIS.
- The housing impacts of the project are mitigated in accordance with TRPA regulations. The purpose of the regulations is to establish whether or not Tahoe Shores provides affordable and moderate-income housing opportunities. The analysis determined that 54 units in the mobile home park qualify as moderate-income housing. Fair and equitable compensation for individual mobile home units is a matter for Nevada state law and is addressed in NRS Section 118B. The park owners must comply with those provisions upon the closure of the park.
- Table 5.2-2 is intended to provide baseline information about the park based on the most recent U.S. Census. The census information is generally considered accurate and reliable and is appropriate for its intended use in the EIS.
- N-4** The commenter asserts that Table 5.2-3 should not be used in the EIS. Table 5.2-3 depicts the baseline conditions of mobile homes in the park as of January 2004, the date when the notice of preparation was circulated for the DEIS. The information contained in Table 5.2-3 was assembled from a variety of reliable sources: the Douglas County Assessor's Office, the Nevada Manufactured Housing Division, and a park survey of mobile home owners. The table is appropriate for its intended uses.
- N-5** The commenter asserts that information in Table 5.2-4 is outdated and inaccurate because mobile home owners in the park do not have loan payments, and that the statement about insurance payments is not accurate. Table 5.2-4 contains information on conditions that applied to the park in early 2004. The DEIS analysis addressed whether the park provides affordable or moderate-income housing. The determination of whether a unit is affordable or moderate-income housing is not based on the financial circumstances of the current occupant. It is understood that some occupants no longer have loan payments. However, if someone comes into the park and purchases a unit, he or she would incur this housing cost. Additionally, the loan payments are used to establish housing costs associated with each unit.
- To determine the affordability of the park, a common set of assumptions was applied even to units being used as second or vacation homes. Assumed loan payments are part of the common set of assumptions that established an estimated monthly cost for the mobile homes and the park tenant. Extensive research was completed to determine financing terms for personal-property mobile homes in Nevada mobile home parks. The terms used in the analysis are very conservative. It should be noted that financing for personal-property mobile homes was difficult if not impossible to obtain in 2004.

Insurance information was obtained from Douglas County Assessor's records and contacts with State Farm Insurance. Such information is used primarily to establish insurance costs. State Farm indicated that it would not insure a mobile home that is more than 20 years old; presumably this is for the purchase of units and not for individuals who maintain coverage.

In response to this comment, Table 5.2-4 on page 5.2-7 of the DEIS is revised as follows to delete the reference to age of unit and willingness to insure:

Table 5.2-4 Estimated Occupancy Cost for a Typical Unit in the Tahoe Shores Mobile Home Park	
\$315/month	Loan Payment (PI) – \$28,000, LTV 95%, 12% for 15 years. Terms based upon interviews with Nevada lenders.
\$50/month	Taxes and insurance – 20-year-old maximum for insurance State Farm Insurance and Douglas County Assessor Personal Property Tax.
\$225/month	Utility allowance – Section 8 Utility Allowance plus sewer and water for Tahoe Shores, NV.
\$725/month	Announced site rents in December 2003 (average)
\$1,315/month	Total Estimated Occupancy Cost for a Unit at Tahoe Shores

N-6 The commenter asserts that most mobile home owners in Tahoe Shores are below the poverty level and that income levels in the EIS do not reflect the tenants' incomes.

The property owner, Beach Club, Inc., provides a rental subsidy to mobile home owners who qualify. Initially 17 residents applied and received the subsidy based on income qualification. Currently, seven tenants qualify for rental subsidy. For households to qualify for the subsidy, their housing costs must exceed 35% of their household income. Such a condition would place households below the poverty level.

The income levels discussed in Section 5.2, "Housing and Population," of the DEIS are used to establish maximum housing-related costs for the affordable level (households at or below 80% of the county's median income adjusted for household size) and the moderate-income level (households at or below 120% of the county's median income adjusted for household size). Such levels are not intended to describe the income levels of current park tenants. To comply with TRPA ordinances, the housing analysis must determine whether housing can be obtained in Tahoe Shores at a cost that is affordable to households at or below 80% of the median income level or households at or below 120% of median income level. The income or financial status of the current occupant is not used to determine whether a housing option is affordable to the aforementioned income groups. A housing unit can be deemed affordable or moderate even if the owner has extraordinarily high income and substantial financial assets.

N-7 This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

MONROE FRIEDLING
P.O. Box 2701
Stateline, Nevada 89449

RECEIVED

JAN 18 2008

TAHOE REGIONAL
PLANNING AGENCY

January 11, 2008

Tahoe Regional Planning Agency
PO Box 5310
Stateline, NV 89449

Re: Beach Club Environmental Impact Statement

Gentlemen:

This letter is written to oppose the recent E.I.S. "plan" to redevelop the Tahoe Shores Mobile Home Park into a projected high-rise condominium development.

I am an 80 year old single male who has owned and lived in my home here at Tahoe Shores for over 24 years. It is the only home I have - I have no other place to move to and at age 80 I am terribly afraid of moving. I do not have the resources to relocate and all of my doctors, dentist and social activities are located here. My primary medical services and pharmaceuticals are from the V.A. hospital in Reno. I suffered a heart attack and open heart surgery seven years ago and the prospect of losing my home has effected me very severely. Being forced to move so that unneeded and expensive condos could replace my home, friends and neighbors is unconscionable.

Please vote to stop the loss of 155 affordable homes here in Tahoe Shores so that 142 unneeded townhouses force all of the homeowners to become homeless.

Sincerely,


Monroe Friedling

**Letter
O
Response**

Monroe Friedling
January 18, 2008

O-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

RE: BEACH CLUB

MARCH 3, 2008

RECEIVED
MAR 03 2008
MRS. THERESA AVANCE, AICP, SENIOR PLANNER

DEAR MRS. AVANCE,

I HAVE LIVED IN STATELINE FOR 37 YEARS AND HAVE ALWAYS HAD A BOAT AND FISHED LAKE TAHOE. I SIT ON SEVERAL BOARDS IN DOUGLAS COUNTY INCLUDING K.G.I.D, T.D. FIRE AND THE DOUGLAS COUNTY ADVISORY BOARD TO MANAGE WILDLIFE, WHICH IS AN ADVISORY BOARD TO THE NEVADA DEPT. OF WILDLIFE, AS ONE D.C.A.B.M.W. MEMBER AND AN OLD FISHERMAN OF THE HOBART FISHING HOLE, I OBJECT TO THE EXTENSION OF THE BEACH CLUB PIER AND THE FACT THAT THEY PLAN TO REMOVE THE EXISTING PIER AND REPLACE IT WITH A FLOATING ONE TO ACCOMMODATE A TAXI SERVICE. THIS IS THE COMMENT GIVEN BY LES FELDMAN ON 2-27-08.

I FEEL THEY WILL DISTURB THE LAKE BOTTOM NEXT TO THE K.G.I.D. INTAKE, ALLOW MANY NEW CONDO OWNERS TO USE THE PIER AND NOT ONLY CREATE MORE BOAT TRAFFIC FOR THE FISHERMEN BUT POSSIBLY DEGRADE THE WATER QUALITY AND FISHING WE CURRENTLY ENJOY. THE HOBART HOLE HAS BEEN A POPULAR FISHING HOLE FOR CENTURYS AND IT WOULD BE A SHAME TO BLOCK THE END OF IT NOW AFTER ALL THESE YEARS. THE PROPOSED PIER WOULD UTILIZE BOAT TRAFFIC ONLY ON THE NORTH SIDE WHICH WOULD BE NEXT TO THE ALREADY OVER USED BOATING AREA OF NEVADA BEACH. I DO NOT OBJECT TO THE PROJECT AS MUCH AS I DO THE PIER. PLEASE GIVE THIS MATTER DUE CONSIDERATION AND FEEL FREE TO CONTACT ME REGARDING THIS MATTER.

THANK YOU
Bob Cook

775 588-2361



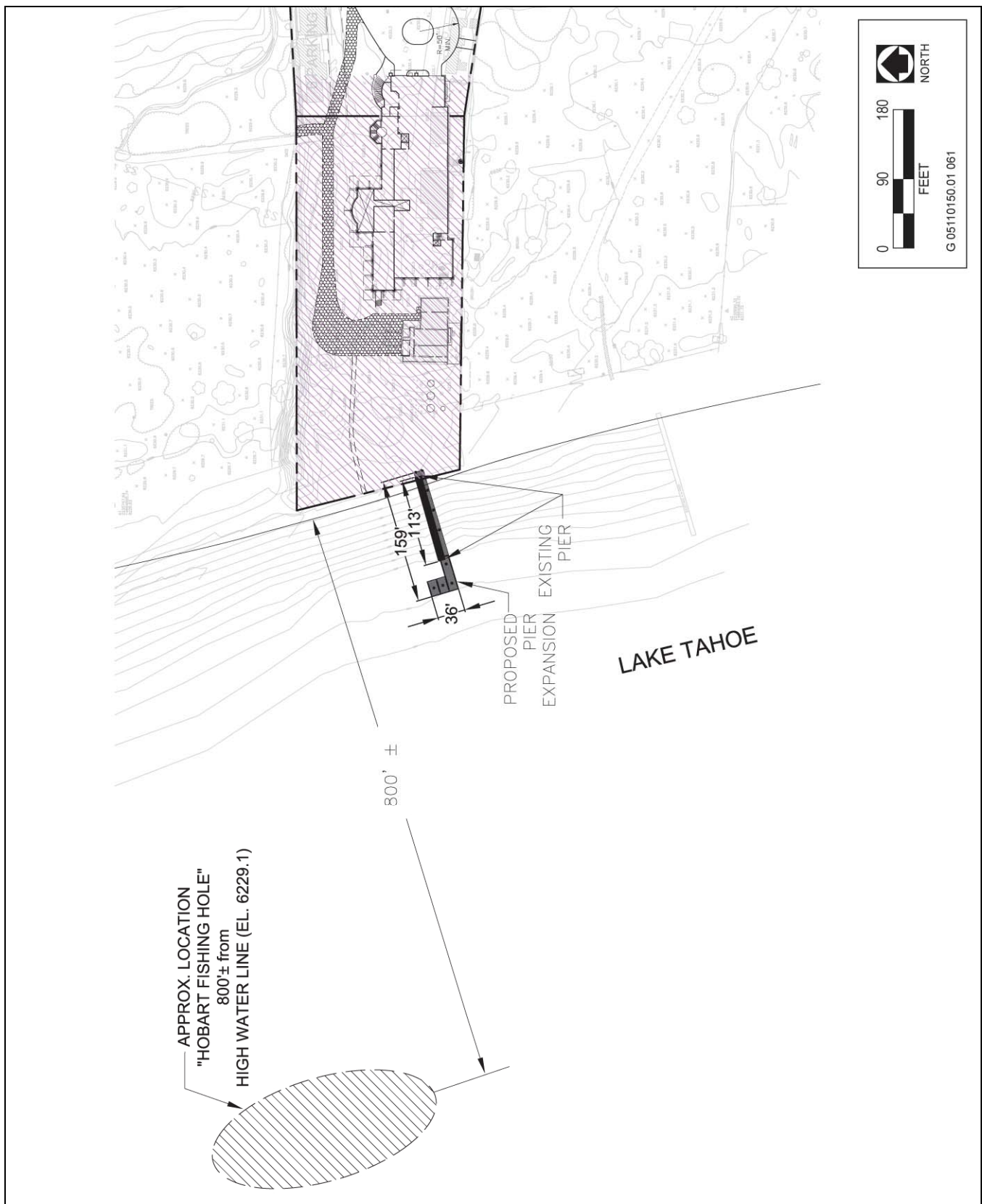
Bob Cook
Commissioner

Tahoe Douglas Fire Protection District
193 Elks Point Road -- Post Office Box 919
Zephyr Cove, Nevada 89448
Home Phone 775-588-2361
Cell Phone 775-901-0386
sideshowbobcook@msn.com

P-1

The commenter suggests that the proposed pier reconstruction and expansion would disturb the lake bottom near the KGID intake, create more boat traffic, and degrade water quality and fishing. As discussed in Impact 5.6.A-11 of the DEIS, the existing 109-foot private pier would be reconstructed and extended approximately 50 linear feet, for a total length of 159 feet from Lake Tahoe High Water Datum (elevation 6,229.1). The reconstructed pier would include an 80-foot vertically moving fixed section and a 20-foot transition section that connects the fixed section to a 59-foot floating section. The pier expansion would not be located in prime fish habitat and the nearest fishing hole, Hobart's Hole, is located approximately 800 feet from the high-water datum (see Exhibit 3-2 below). Because the expanded pier would be extended to 159 feet from the high-water datum, a buffer of approximately 640 feet would remain between the proposed pier and the fishing hole. Therefore, pier expansion would not affect the aquatic habitat that supports the localized recreational fishery or otherwise interfere with the fishing experience at Hobart's Fishing Hole.

A BMP plan approved by TRPA would be implemented to prevent spillage of debris, machine oils, or other construction-related materials from the pier work area into the lake water. The BMP plan, at a minimum, would specify that a turbidity curtain be used at all times during construction of the floating pier and relocation of the buoys. The area surrounding both the existing pier and the proposed pier expansion is not located in prime fish habitat or recreationally important fish habitat, and BMPs would be in place to prevent construction-related materials from the pier work area into the lake water. Furthermore, no work would be done at or below water level, and no construction staging or activities would occur from the beach. Therefore, this impact would be less than significant. No revisions to the DEIS are necessary.



Source: Nichols Consulting Engineers 2008

Proposed Pier in Relation to Hobart's Fishing Hole

Exhibit 3-2

Theresa Avance

From: sean ingenluyff [ingenluyff@hotmail.com]
Sent: Wednesday, February 20, 2008 8:24 AM
To: Theresa Avance
Subject: Request for Beach Club LLC EIS Information

Ms. Avance:

I would like to receive a copy of the rental/sale history for each Tahoe Shores Mobile Home Park unit for the previous five years or the appraisal of the structure prepared by a qualified appraiser that is required to be submitted by the Beach Club in accordance with Section 43.2.B of the TRPA Code of Ordinances (Chapter 43, Subdivision Standards).

I've included the section I'm referring to below and which is also found on page 5.2-2 of Beach Club on Lake Tahoe Draft EIS.

(1) To determine whether a unit is moderate-income housing, the applicant shall submit a rental/sale history for each unit for the previous five years. TRPA shall review the history and determine whether the unit has, on the whole, been available as moderate-income housing. TRPA shall use the appropriate state and federal data on median income and rental rates and mortgages for moderate to very low income households in making the determination. If a rental/sale history is unavailable or incomplete, an appraisal of the structure prepared by a qualified appraiser shall be submitted by the applicant.

Please advise how I may obtain a copy of this information.

Thank You.

Michael Ingenluyff

Helping your favorite cause is as easy as instant messaging. You IM, we give. [Learn more.](#)

2/20/2008

Q-1

The commenter requests a copy of the rental/sale history of each Tahoe Shores Mobile Home Park unit or, if one is unavailable, an appraisal of the units.

Tahoe Shores is a mobile home park that rents spaces to owners of mobile homes. The park provides a rental opportunity. As a result, no appraisal is required to determine whether the park provides an affordable or moderate housing opportunity. The site's rental history is available from the mobile home park and is discussed in Section 5.2, "Housing and Population," of the DEIS. The site rental costs, along with other housing-related costs, are used to determine the extent to which housing opportunities in the park are at or below the affordable or moderate-income levels for Douglas County, adjusted for household size. This concept of tenure (renters) in the park is further enforced by the classification of mobile homes as personal property and not real property. The real-property classification requires the land and entitlements under the mobile home to be owned by the owner of the mobile home. According to Douglas County Assessor's records, mobile home owners in the park have not been assessed and taxed as real property.

There are several problems with attempting to appraise personal-property mobile home parks where the underlying property is not subdivided into individual lots or parcels and the land and entitlements are owned by someone else. Those problems are outlined in Section 5.2, "Housing and Population."

Michael Ingenluyff, Sr.
P.O. Box 2822
Stateline, NV 89449

RECEIVED
MAR 03 2008
TAHOE REGIONAL
PLANNING AGENCY

February 29, 2008

Theresa Avance, AICP, Senior Planner
Tahoe Regional Planning Agency
ATTN: Governing Board
P.O. Box 5310
Stateline, NV 89449

Ms Avance:

This letter is to inform the TRPA Governing Board that the Environmental Impact Statement (EIS) for the Beach Club, LLC should **NOT** be accepted for the following reasons:

1. TRPA's use of inflated rent costs provided by the Beach Club is inexcusable and that acceptance of the Draft Beach Club of Lake Tahoe EIS clearly and unequivocally illustrates TRPA's bias toward and blatant advocacy of the Beach Club proposal to the Governing Board to the detriment of Tahoe Shores Mobile Home Estates residents and the community of Lake Tahoe.

Since the Beach Club purchased Tahoe Shores Mobile Home Estates in February 2002, the Beach Club increased space rent 35% (Table 1, page 6) from 2003 to 2005 (21% in 2003, 7.5% in 2004 and 7% in 2005). In addition, the Beach Club also transferred the cost of water and sewer (\$50 average per month) in violation of our rental agreement, adding an additional 10% to Tahoe Shores Mobile Home Estates resident's housing costs. In total, the Beach Club increased housing costs for Tahoe Shores Mobile Home Estates residents by 45%. In contrast, Fair Market Rents only increased 9% during the same timeframe according to National Low Income Housing Coalition (www.hlihc.org) data for Douglas County. See Table 2, page 7.

Table 5.2-4 of the Beach Club's Draft EIS (page 5.2-7) lists "\$725/month Announced site rents in December 2003 (average)" as the rent cost for Tahoe Shores Mobile Home Estates residents for 2003. This is incorrect and more importantly in my opinion, a blatant attempt on the part of the Beach Club, with TRPA's apparent collusion, to misrepresent actual rent costs in order to elevate occupancy costs above the Low-Income Housing threshold and thereby reduce the number of units the Beach Club would be required to mitigate.

The Table below reflects actual Tahoe Shores Mobile Home Estates rents for 2003:

Lot Size/Location	Rent Nov-02	Date	Rent Increase	2003 Rent	Water	Total	Percent Increase
Single Lot	\$547.00	Mar-03	\$100.00	\$647.00	\$50.00	\$697.00	16.75%
Double Lot	\$547.00	Mar-03	\$110.00	\$657.00	\$50.00	\$707.00	18.43%
Single Lot - Meadow	\$547.00	Mar-03	\$120.00	\$667.00	\$50.00	\$717.00	20.10%
Double Lot - Meadow	\$547.00	Mar-03	\$130.00	\$677.00	\$50.00	\$727.00	21.78%
Single Lot - View	\$547.00	Mar-03	\$140.00	\$687.00	\$50.00	\$737.00	23.45%
Double Lot - View	\$547.00	Mar-03	\$145.00	\$692.00	\$50.00	\$742.00	24.29%
Average Rent Increase for 2003:							20.80%

Note: Percent Increase does not include cost of Water.

A computation of rents for 2003 reveals that the average rent equaled \$671.17
 $(647+657+667+677+687+692 = 4,027 \text{ divided by } 6)$.

A computation of rents for 2003 plus Water equaled \$721.17
 $(697+707+717+727+737+742 = 4,327 \text{ divided by } 6)$.

Table 5.2-4 also lists "\$225/month Utility allowance – Section 8 Utility Allowance **plus sewer and water for Tahoe Shores, NV.**"

The above reveals that the Beach Club's EIS, with TRPA's apparent collusion, either intentionally double counted water and sewer or deliberately misrepresented actual space rent in order to elevate occupancy costs above the Low-Income Housing threshold.

Using an actual rent cost of \$672 reveals that Tahoe Shores Mobile Home Estates occupancy cost would equal \$1262 and under the Low-Income Housing threshold for a four person household, resulting in additional Low-Income Housing mitigation requirements on the part of the Beach Club.

However, a more applicable, responsible, equitable and unbiased process would have TRPA require the Beach Club's Draft EIS to reflect housing costs under normal market conditions. Had that been done space rent in 2003 would only total \$534 (See Table 2, page 5) versus \$725, reflecting a fairer and more accurate Fair Market Rent that is 26% lower than the deliberately inflated rent cost provided by the Beach Club. Using Fair Market Rent would lower Tahoe Shores Mobile Home Estates occupancy costs to \$1124 and under the Low-Income Housing threshold, resulting in additional mitigation requirements on the part of the Beach Club.

It should be noted that the rent increases for 2000 of \$50 and 2001 of another \$50 are being included as part of a revised Fair Market Rent computation on the basis that prior to the Beach Club purchasing Tahoe Shores Mobile Home Estates, the

previous owner, Michael Gelfand, was already in negotiations with Robert Mackay (principle Beach Club partner) to sell the park for redevelopment, and more importantly, remained a partner in the Beach Club redevelopment project after the sale. Therefore, 2000 and 2001's 10% and 9%, respectively, inflated rent increases were included in the revised Fair Market Rent computations in consideration of the fact that the previous owner, Michael Gelfand, would also benefit financially by elevating Tahoe Shores Mobile Home Estates occupancy costs in order to lower the Beach Club's mitigation requirements.

For TRPA to knowingly allow the Beach Club to use excessively inflated rent increases **and double count water and sewer costs** as the basis for stating in the Beach Club EIS under Low-Income Housing (page 5.2-7), that "the average estimated monthly occupancy cost at Tahoe Shores exceeds the affordable cost limits for affordable housing (up to 80% of median income). Therefore, **none of the mobile home units at Tahoe Shores qualify as low-income housing**," is unconscionable and reveals quantifiably that the process TRPA uses to identify Low-Income Housing is seriously deficient, unreliable and detrimental to residents of Lake Tahoe.

The Draft EIS's clear and obvious biased in favor of the Beach Club to the detriment of Tahoe Shores Mobile Home Estates residents and the Lake Tahoe community raises serious concerns about TRPA's ability to manage affordable housing. If these excessively inflated rent costs are knowingly being accepted by TRPA for the Beach Club proposal, it is reasonable to assume that these practices are being allowed and applied to other development projects, indicating that TRPA's processes are designed to deliberately and systemically reduce affordable housing in Lake Tahoe.

2. The Beach Club's Draft EIS Moderate-Income Housing analysis reveals another blatant attempt on the part of the Beach Club, with apparent TRPA collusion, to reduce the Beach Club's mitigation costs and thereby reduce the number of affordable housing available in Lake Tahoe.

It is blatantly obvious with the switch from determining whether Tahoe Shores Mobile Home Estates meets Moderate-Income housing thresholds based on occupancy costs to one where only "selected" homes are used. Either Tahoe Shores Mobile Home Estate's occupancy costs meet Moderate-Income housing thresholds or they do not. Based on the Beach Club's own inflated occupancy costs outlined in Table 5.2-4 of the Beach Club Draft EIS of \$1315, "**ALL**" Tahoe Shores Mobile Home Estates homes fall under Moderate-Income housing threshold of \$1342 for a 1 person household size.

This is again another clear illustration that the policies and processes used by TRPA to manage affordable housing in Lake Tahoe are clearly biased in favor of the Beach Club to the detriment of Moderate-Income residents of Lake Tahoe. TRPA, at the very least, must designate all 155 Tahoe Shores Mobile Home

Estate homes as Moderate-Income housing and require the Beach Club to mitigate all 155 housing units.

However, TRPA should, in the best interests of the Lake Tahoe community, require the Beach Club to deed-restrict all of Tahoe Shores Mobile Home Estates and let it remain a community available to Moderate-Income residents of Lake Tahoe.

3. The Beach Club, LLC purchased Tahoe Shores Mobile Home Estates using Fannie Mae financing. Fannie Mae, a Government Sponsored Enterprise, exists, according to its website, “to **expand affordable housing** and bring global capital to local communities in order to serve the U.S. housing market.” It is only reasonable to assume that since the Beach Club was able to obtain Fannie Mae financing that the Beach Club more than likely represented to Fannie Mae’s designated lender (CWCcapital) that Tahoe Shores Mobile Home Estates qualified as low or moderate income housing.

It is certainly disingenuous, at the very least, for the Beach Club to represent to the TRPA Governing Board that Tahoe Shores Mobile Home Estates is not low income housing and that only a minority of homes qualify as moderate income housing while simultaneously using Fannie Mae guaranteed funds ostensibly available only to investors interested in providing affordable housing to low and moderate income residents.

I have written a letter to Congressman Barney Frank, Chairman of the House Financial Services Committee to request that an inquiry be made into determining if the Beach Club represented to CWCcapital that Tahoe Shores Mobile Home Estates qualified as low or moderate income housing in order to obtain favorable Fannie Mae financing terms.

If the Beach Club did receive favorable financing terms from Fannie Mae based on representations that Tahoe Shores Mobile Home Estates is low or moderate income housing, then the TRPA Governing Board should require the Beach Club to provide 155 (total number of available housing units in Tahoe Shores) deed-restricted housing units versus the currently proposed 54 deed-restricted units. I strongly encourage the TRPA Governing Board to support Congressman Frank’s inquiry, as the results of this inquiry would, in my view, have a significant impact on any decision the Governing Board would make regarding the Beach Club proposal.

4. The closure of Tahoe Shores Mobile Home Estates would significantly reduce the opportunity for low-to-moderate income residents to actually “own” a home on the Nevada side of the Tahoe basin. TRPA’s policy of allowing developers to “replace” homes available for homeownership by low-to-moderate income residents with old, rundown, inequitable “rental” apartments indicates that TRPA’s policies regarding low-to-moderate income homeownership opportunities

is not only inadequate, but obviously biased against low-to-moderate income residents of Lake Tahoe.

The inadequacies of TRPA's management of affordable housing is clearly illustrated by the fact that the EIS does not make mention of any goals or thresholds regarding the percentage of affordable housing units TRPA has identified as part of an overall community affordable housing plan. If TRPA has established affordable housing goals or targets, how does the Beach Club proposal impact those goals? If an affordable housing plan does exist, why is it not discussed in the Beach Club EIS and does the plan include affordable housing low-to-moderate income residents can actually own?

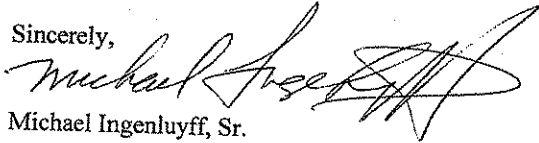
5. As a regulatory agency it is imperative that TRPA's policies and processes reflect complete independence and be free of bias in all respects. However, TRPA's current policy of having developers pay TRPA to hire a company to draft the Beach Club's EIS and then have TRPA Planners assist in coordinating the drafting of the EIS with the Beach Club and EDAW (the company hired to draft the EIS) certainly raises independence and conflict-of-interest issues that the Beach Club's Draft EIS clearly illustrates.

I believe these independence and conflict-of-interest issues need to be reviewed by a competent and unbiased agency. Given the serious issues identified with the Beach Club's Draft EIS, I have written Senators' Reid, Feinstein, Boxer, Ensign and Congressmen Heller and Doolittle to request that the Government Accountability Office conduct a review of all of TRPA's policies and processes regarding affordable housing (with specific emphasis on the Beach Club project) and apparent TRPA independence and conflict-of-interest issues.

Members of the TRPA Governing Board, I believe the information I have provided you is sufficiently convincing for you to reject the Beach Club's Draft EIS in its current form and support my request to have TRPA's management of affordable housing reviewed by the Government Accountability Office or at a very minimum, require the Beach Club to mitigate all 155 Tahoe Shores Mobile Home Estate homes.

Thank you for your consideration.

Sincerely,



Michael Ingenluyff, Sr.

Table 1.

Rent & Water Increases						
January 1999 through July 2005						
Lot Size/Location	Date	Rent Increase	Rent	Water	Total	Percent Increase
All	Jan-99		\$472.00	\$0.00	\$472.00	
All	Jan-00	\$25.00	\$497.00	\$0.00	\$497.00	5.30%
All	Jan-01	\$50.00	\$547.00	\$0.00	\$547.00	10.06%
All	Jan-02	\$50.00	\$597.00	\$0.00	\$597.00	9.14%
All	Nov-02	\$0.00	\$547.00	\$50.00	\$597.00	0.00%
Average Rent Increase for Jan 2001 and Jan 2002:						9.60%
Single Lot	Mar-03	\$100.00	\$647.00	\$50.00	\$697.00	16.75%
Double Lot	Mar-03	\$110.00	\$657.00	\$50.00	\$707.00	18.43%
Single Lot - Meadow	Mar-03	\$120.00	\$667.00	\$50.00	\$717.00	20.10%
Double Lot - Meadow	Mar-03	\$130.00	\$677.00	\$50.00	\$727.00	21.78%
Single Lot - View	Mar-03	\$140.00	\$687.00	\$50.00	\$737.00	23.45%
Double Lot - View	Mar-03	\$145.00	\$692.00	\$50.00	\$742.00	24.29%
Average Rent Increase for 2003:						20.80%
Single Lot	Mar-04	\$50.00	\$697.00	\$50.00	\$747.00	7.73%
Double Lot	Mar-04	\$50.00	\$707.00	\$50.00	\$757.00	7.61%
Single Lot - Meadow	Mar-04	\$50.00	\$717.00	\$50.00	\$767.00	7.50%
Double Lot - Meadow	Mar-04	\$50.00	\$727.00	\$50.00	\$777.00	7.39%
Single Lot - View	Mar-04	\$50.00	\$737.00	\$50.00	\$787.00	7.28%
Double Lot - View	Mar-04	\$50.00	\$742.00	\$50.00	\$792.00	7.23%
Average Rent Increase for 2004:						7.45%
Single Lot	Jul-05	\$50.00	\$747.00	\$50.00	\$797.00	7.17%
Double Lot	Jul-05	\$50.00	\$757.00	\$50.00	\$807.00	7.07%
Single Lot - Meadow	Jul-05	\$50.00	\$767.00	\$50.00	\$817.00	6.97%
Double Lot - Meadow	Jul-05	\$50.00	\$777.00	\$50.00	\$827.00	6.88%
Single Lot - View	Jul-05	\$50.00	\$787.00	\$50.00	\$837.00	6.78%
Double Lot - View	Jul-05	\$50.00	\$792.00	\$50.00	\$842.00	6.74%
Average Rent Increase for 2005:						6.94%

Table 2.

Rent Increases Based on Douglas County 3.125 Percent Average Increase (2000 to 2007)						
Lot Size/Location	Date	Rent Increase	Rent	Water	Total	Percent Increase
All	Jan-99		\$472.00	\$0.00	\$472.00	
All	Jan-00	\$14.75	\$486.75	\$0.00	\$486.75	3.125%
All	Jan-01	\$15.21	\$501.96	\$0.00	\$501.96	3.125%
All	Jan-02	\$15.69	\$517.65	\$0.00	\$517.65	3.125%
All	Jan-03	\$16.18	\$533.82	\$0.00	\$533.82	3.125%
National Low Income Housing Coalition Data for Douglas County, NV						
Percentage Change: 2000 Base Rent to 2007 Fair Market Rent (25% divided by 8 = 3.125%)						

R-1

The comment asserts that TRPA's use of inflated rent costs provided by the project applicant, Beach Club, Inc., is inexcusable and that the use of \$725 per month in site rents is incorrect and inflated.

Section 5.2, "Housing and Population," of the DEIS describes the existing population and housing conditions at the Tahoe Shores Mobile Home Park as of 2004 (the time when the TRPA notice of preparation for the project was circulated and the baseline conditions for the project). At that time, the site rents were \$50 per month higher than those presented in the comment. The rents used were those announced at the end of 2003. The average refers to the average among the rent categories, not the average for the year 2003.

DEIS Table 5.2-4 presents the estimated occupancy cost for a typical unit in the Tahoe Shores Mobile Home Park in 2004. The rents at the period of analysis were net of utilities. No double counting occurred. TRPA did review other mobile home parks at Lake Tahoe. Tahoe Verde Mobile Home Park had site rents that ranged from approximately \$515 to \$575 per month in 2003. The Sierra Nevada College Mobile Home Park maintained site rents of \$500 per month in 1998; those rents were frozen pending redevelopment of the park. The associated utility costs at Tahoe Verde and Sierra Nevada College were similar to those used for Tahoe Shores.

R-2

Please see response to Comment R-1.

R-3

Please see response to Comment R-1.

R-4

Please see response to Comment R-1.

R-5

Please see response to Comment R-1.

R-6

The commenter asserts that TRPA "switched" the analysis to focus on a selected group of mobile homes to reduce moderate or low-cost housing mitigation. The analysis for the affordable level (income not in excess of 80% of the county's median income) and the moderate level (120% of the county's median income) do differ, but not for the intended purposes stated in the comment. According to Marshall Swift Valuation Service, average single-wide mobile homes are beyond their useful life at 25 years and double-wide units exceed their useful life at 30 years. There are a significant number of mobile homes in Tahoe Shores that are beyond their useful life (see Table 5.2-3 in the DEIS). Furthermore, there is a direct relationship between the age of the mobile home and its economic value. Marshall Swift Valuation Services provides depreciation tables for mobile homes. Also, extensive reviews of mobile home sales provided through the multiple listing service, the Douglas County Assessor's Office, and title sales from the Nevada Manufactured Housing Division clearly demonstrated the correlation between economic value with the age of the unit.

Resolving the conflicts between valuation and the useful life of a mobile home in Tahoe Shores greatly complicated the housing analysis. The complications associated with the valuation of older mobile homes in Tahoe Shores resulted in the consideration of two approaches—one using replacement costs for the older units and the other using only coaches ranging in age from 0 to 25 years. The approach for the moderate-housing

analysis used units less than 25 years old instead of considering replacement units for older coaches. Johnson-Perkins Appraisal provided guidance on the valuation of units for the moderate-housing analysis. Using a replacement unit for older mobile homes would further reduce the mitigation requirements.

The affordability analysis (households at or below 80% of the county's median income) incorporated all units regardless of age, useful life, or value. An average cost for a unit was calculated with guidance from Johnson-Perkins Appraisal and added to the tenant's housing costs at Tahoe Shores. Even with the older units included, the average housing cost would still exceed the affordability cost thresholds. Excluding unit costs altogether, Tahoe Shores still did not provide an affordable housing option for one- and two-person households, who were the majority of full-time tenants in the Tahoe Shores Mobile Home Park according to the 2000 U.S. Census data.

R-7 Fannie Mae financing provides capital to housing lenders for both market-rate and affordable housing. CW Capital provided purchase money financing for the acquisition of the Tahoe Shores Mobile Home Park. The financing provided by CW Capital was market rate, and no obligation was created designating the existing mobile home park as either affordable- or moderate-income housing. As indicated in response to Comment V-3, of the 155 owned manufactured housing units within the park, the total number of residents seeking rental assistance was 17 in 2004 and, at present, only seven residents have applied for rental assistance because of low income. In other words, since 2004, a small minority of park residents qualified for or sought rent subsidies, and neither the purchase money financing covenants nor the number of park residents seeking rental assistance supports a finding that the park is subject to low-income obligations to Fannie Mae.

R-8 The commenter asserts that closure of Tahoe Shores would significantly reduce the opportunity for low- to moderate-income residents to actually "own" a home on the Nevada side of the Tahoe Basin, and that TRPA's policy of allowing developers to "replace" homes available for ownership by low- to moderate-income residents with old, run-down, inequitable "rental" apartments indicates that TRPA's policies are biased against low- to moderate-income residents of Lake Tahoe. The commenter also indicates that the DEIS does not mention any goals or thresholds regarding affordable housing or a community affordable housing plan.

The analysis shows that there are approximately 54 units in the park that qualify as moderate-income housing. The DEIS identifies as mitigation a requirement that the owners of Tahoe Shores provide 54 units of deed-restricted housing. Mitigation units are not replacement housing for park tenants. The Nevada Revised Statutes provide compensation for displaced residents required to move from the park. There is no bias against low- or moderate-income households in that financial circumstances do not determine mitigation. The owners of Tahoe Shores would provide a variety of ownership and/or rental deed-restricted mitigation units. (See Chapter 2, "Modifications to the Proposed Project," of this FEIS for housing mitigation details.) Once units become deed restricted, income guidelines would determine the eligibility of occupants to purchase or rent.

Currently there are no established thresholds or goals for affordable housing. TRPA does not have a community affordable housing plan.

R-9 This comment does not address the adequacy of the DEIS, but rather suggests that its preparation by an independent consultant in collaboration with TRPA staff raises independence and conflict-of-interest issues. It is common practice for TRPA, and other

lead agencies with decision-making authority over a project, to enter into an agreement by which a consultant prepares the environmental review on behalf of the agency. In such a case the consultant acts as an extension of staff, collaborating with staff throughout the environmental review process. TRPA's process for selecting and using independent consultants for assistance in preparing environmental documents is described in Article VI, Section 6.20, of the TRPA Rules of Procedure.

Theresa Avance

From: sandygrndpama@charter.net
Sent: Monday, February 25, 2008 5:10 PM
To: Theresa Avance
Subject: Tahoe Shores

My name is Sandra Lane my home is at 417 Arthur Drive. My husband and I purchased our mobile home in 1997. We used our life savings to buy the home. There is nowhere within 50 miles that is either wanting to take our home or has any openings. There are many seniors that live here that can not afford to move or have the financial ability. Most of their homes are too old to be moved. And the park owners will not really give any of us what we know our homes are worth. Not only this but we work on the hill our children go to school here, for us to move will not only put a financial burden on us to travel back and forth to work but also emotional burden and pain to uproot our children from the schools they go. This is not a good decision for any of us. We were told many years ago that a construction of this type would not be done due to the high water levels. My husband passed away 2 years ago and I am just scrapeing by. To be uprooted like this would be a burden to me. My son nd his family are living with me and this would also affect them in a negative burden. Please do not allow this to happen. And if you see fit that this will happen I sure do hope that you will not agree to anything until all of us homeowners are justliiy compensated.

89449

Sandra Lane
P.O.Box 2340
Stateline, NV.

775-450-1736

**Letter
S
Response**

Sandra Lane
February 25, 2008

S-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

With respect to the availability of mobile home parks within 100 miles of the site, the project applicant has conducted initial research and provided the information contained in Table 3-3 below to support the EIS. This information will continue to be updated and provided to individual residents within the park.

Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Carson Mobile Home Park 3429 S. Carson Street Carson City, NV 89701 Phone: (775) 882-9410	24.9	53	None	10 years	None	Family	\$365	None
Clear Creek Mobile Park 47 Clear Creek Avenue Carson City, NV 89701 Phone: (775) 882-4751	24.9	75	Water, sewer, and trash paid	None	None	Family	\$370—\$380	None
Parc De Maison 154 Cognac Court Carson City, NV 89701 Phone: (775) 882-4445	24.9	170	None	1985	None	Family	\$305	Rent increase
Silver State Mobile Home Park 1950 N. Carson St. Carson City, NV 89706 Phone: (775) 883-2424	24.9	80	Water and trash paid	1995	6	Family	\$395	Resurfacing streets
Ideal Mobile Home Park 750 East Stillwater Ave. Fallon, NV 89406 Phone: (775) 423-2900	86.96	197	Pool and jacuzzi	None	16	Family	\$335	None
Fernley Villa Mobile Home Park 945 East Main Fernley, NV 89408 Phone: (775) 575-4948	74.56	172	None	None	None	Family	\$305	None
Rancho Mobile Home Park 570 West Main St. Fernley, NV 89408 Phone: (775) 575-2204	74.56	102	Playground	None	5	Family	\$320	None

Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Riverview Mobile Home Park 596 Highway 395 Gardnerville, NV 89410 Phone: (775) 265-2751	16.08	50	Water, sewer, and trash paid	None	None	Senior	\$400–\$450	None
Donner Springs Village 4485 Boca Way Reno, NV 89502 Phone: (775) 825-5516	57.6	218	Tennis, clubhouse, pool/spa	None	None	Family	\$540–\$580	None
Fairview Mobile Manor 2885 Kietzke Lane Reno, NV 89502 Phone: (775) 826-6066	57.6	92	Water and trash paid	None	None	Family	\$495	None
La Rambla Mobile Park 2880 Kietzke Lane Reno, NV 89502 Phone: (775) 825-0779	57.6	50	Trash, water, and sewer paid	None	1	Family	\$395	None
Lucky Lane Mobile Park 3650 Boynton Lane Reno, NV 89502 Phone: (775) 825-5239	57.6	187	Clubhouse, laundry room	2007	2	Family	\$415 single, \$445 double	None
Reno Cascade Community 3805 Clear Acre Lane Reno, NV 89512 Phone: (775) 673-2202	57.6	245	Clubhouse, library, gym	None	12	Family	\$544 single, \$579 double	None
Rolling Whell Manor Mobile Home Park 2945 Kietzke Lane Reno, NV 89506 Phone: (775) 770-1140	57.6	66	Water, sewer, electric	None	None	Family	\$441	None

Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Silverada Mobile Home Estates 2301 Oddie Blvd. Reno, NV 89512 Phone: (775) 358-8100	57.6	169	Clubhouse, pool, laundry	As City regulates	2	Senior	\$393–\$400	None
Skyline Mobile Park 7900 North Virginia St. Reno, NV 89506 Phone: (775) 972-1666	57.6	307	Clubhouse, pool, playground	None	11	Family	\$445–\$457	None
Five Star Mobile Home Park 1340 5th Street Silver Springs, NV 89429 Phone: (775) 577-2277	60.53	29	Water and trash paid	None	None	Family	\$250	None
Silver Springs Community 4515 Hwy 50 Silver Springs, NV 89429 Phone: (775) 577-2775	60.53	36	Sewer and water paid	None	None	Family	\$300	None
Oasis Mobile Estates 8550 Pyramid Lake Road Sparks, NV 89436 Phone: (775) 425-5977	57.27	80	Sewer, water, and trash	None	1	Family	\$476–\$481	None
Sierra Royal Mobile Home Park 675 Parlanti Lane Sparks, NV 89434 Phone: (775) 358-4704	57.27	151	Sewer, water, and trash	None	None	Senior	\$590	None
Sun Valley Mobile Home Park 5590 Leon Drive Sun Valley, NV 89433 Phone: (775) 674-0202	59.89	56	Clubhouse	None	None	Family	\$440 single, \$460 double	None

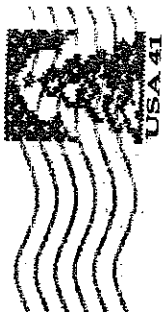
Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Donner Creek Mobile Home Park 10715 Highway 89 Truckee, CA 96160 Phone: (530) 587-4466	41.93	95	Recreation room and laundry	None	1	Family	\$550–\$625	None
Village Green Mobile Home Park 11070 Brockway Road Truckee, CA 96161 Phone: (530) 587-3326	41.93	94	Laundry and playground	None	None	Family	\$425–\$570	1 double-wide for sale (#58)
Highlands Mobile Park 150 Clinton Road Jackson, CA 95642 Phone: (209) 223-2680	91.54	59	Pool and Clubhouse	None	None	Senior	\$450	None
Meadow Pines Estates 23750 Carson Road Pioneer, CA 95666 Phone: (209) 295-7482	76.42	50	None	2000 or newer	4	Family	\$490	None
Diamond Springs Mobile Home Park 3550 China Garden Road Placerville, CA 95667 Phone: (530) 622-7904	62.31	147	Clubhouse, cardroom, trips	Must be state inspected	None	Senior	\$440	Upgrading—replacing with modulars
Mountain View Manor 3020 Newton Road Placerville, CA 95667 Phone: (530) 621-9556	62.31	33	Water	None	None	Family	\$400–\$500	None
Panorama Mobile Home Park 4330 Panorama Drive Placerville, CA 95667 Phone: (530) 622-5017	62.31	60	Pool, clubhouse, laundry	None	2	Family	\$300–\$475	None

Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Bonanza Mobile Home Park 5840 Pony Express Trail Pollock Pines, CA 95726 Phone: (530) 644-2994	49.56	60	None	2007	2	Senior	\$350–\$380	None
Yerington Mobile Park 528 S. Main Yerington, NV 89447 Phone: (775) 463-2989	71.21	40	Water and trash paid	None	1	Family	\$245	None
Yorkshire Mobile Park 7950 Yorkshire Drive Reno, NV 89506 Phone: (775) 972-1515	71.21	30	Clubhouse	1989 or newer	None	Senior	\$435	None
Chris Havens Mobile Park & RV Community 2030 E Street South Lake Tahoe, CA 96150 Phone: (530) 541-1895	4.4							Left message; unable to contact yet
Heavenly Valley Mobile Home Park P.O. Box 762 South Lake Tahoe, CA 96156 Phone: (530) 587-3326	1.3							Left message; unable to contact yet
Heavenly Valley Mobile Park 3740 Blackwood Road South Lake Tahoe, CA 96150 Phone: (530) 544-6684	4.4							Left message; unable to contact yet
Tahoe Verde 1080 Julie Lane South Lake Tahoe, CA 96150 Phone: (530) 541-3506	4.4	265	Pool, clubhouse	None	20—on hold due park subdivision process	Family	\$636.62	Sales available through Remax Realty

Table 3-3 Mobile Home Park Availability Analysis								
Mobile Home Park Name and Site Location	Approximate Mile Distance From Tahoe	# of Spaces in Park	Provided Amenities	Unit Age Restriction	Available Spaces	Senior or Family Park	Current Lot Rent Range	Any Known Potential or Upcoming Changes for Park Notes/Comments
Lakeside Mobile & RV Park 3987 Cedar Avenue South Lake Tahoe, CA 96150 Phone: (530) 544-4704	4.4							No longer in operation
Tahoe Vista Mobile Estates 501 National Avenue Tahoe Vista, CA 96148 Phone: (530) 546-3891	22.1							Telephone number is disconnected
Coachland Mobile Home Park 10100 Pioneer Trail Truckee, CA 96151 Phone: (530) 587-3071	31.1	48	Laundry	10 years	None	Family	\$500–\$635	Units for sale; need to go to park and look
Little Truckee Mobile Home Park 2333 Eloise Avenue South Lake Tahoe, CA 96151 Phone: (530) 541-2517	4.4							No longer in operation
Caravan Park @ South Lake Tahoe—Same as Heavenly Valley Park on Blackwood	4.4							See Heavenly Valley Park on Blackwood
Trails West Mobile Home Park 73561 State Route 70 Portola, CA 96122 Phone: (530) 832-5074	69.7	54	None	None	1 single	Family	\$187.50	None for sale
Sierra Springs Resort 70099 Sierra Springs Drive Blairsden, CA 96103 Phone: (530) 836-2747	69.8	20	None	7 years	1 single	Family	\$285.00	None for sale

Table 3-3

[illegible]



RENO NV 895

03 JAN 2008 PM 3 T

BETTY JUNE NEFF
P.O. BOX 1556
ZEPHYR COVE, NV 89448

Tahoe Regional Planning Agency

P.O. Box 5310

Steteline, NV

attn:



Mrs. Betty J. Neff
P.O. Box 1556
Zephyr Cove, NV 89448

Jan **RECEIVED**

JAN 11 2008

TAHOE REGIONAL
PLANNING AGENCY

To TRPA,

*I am a home owner at
Three Shores Mobile Park, a
senior lady, handicapped
and on a fixed income. If
you decide to allow the Beach
Club to redevelop the property
you will be forcing many
retired people out of their home
with no place to move to!*

*Please consider to not
allow them to develop the
land into condominiums. Allow
us who have been here a long
time to stay in our homes, as
I stated before there is no other
place for us to move to.
There are many people here*

who have worked hard to
to have been able to afford
they homes, and would be hurt
in many ways if forced out of their
homes.

There are too many condominiums
here at the lake as it is. This has
always been a beautiful place to live.
Do not spoil it anymore with ~~many~~
homes, boats, cars and too many
people.

You are going to ruin the
area if you do not stop the building
soon. Money cannot restore the
beauty of a area once it is
ruined. Please consider not allow-
ing the Beach Club to build.

Sincerely,
Betty J. Hoff

**Letter
T
Response**

Betty J. Neff
January 11, 2008

T-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

RECEIVED

FEB 15 2008

TAHOE REGIONAL
PLANNING AGENCY

Dear Mrs. Rounce,

I am writing this letter in regards to the redevelopment of Tahoe Shore Mobile Home Park. I moved here in 1997 from the San Joaquin Valley to get away from all the drugs & corruption. The wife & I love it up here and we would hate to move back to the valley. I don't see what happening on the \$5000.00 dollars that are offering for our mobiles, when I paid \$35000.00 for it in 1997. Our space rent was 350.00 dollars a month & that included water & sewage & snow removal. Since then our rent has went up to \$707.00 a month plus on average \$60.00 dollars a month for water & sewer & snow removal. This is totally illegal due to

our rental agreement that
I signed back in 1997.
I know a person can't
stand in the way of progress
but should not be taken
advantage of because they
want to build condos. There
was 155 mobile homes when
we moved in all of them
belonged to homeowners. I
went around & counted
the other day & there is
only 59 of us left. Tom
Casanova & Bob McKay
has used every tactic in
the book to buy people
out for pennies on dollars
at a meeting in the
beginning of all this
a TRPA member asked
Bob McKay if he was
willing to give the
people a fair price for
to our location which is
on lake, his reply was
YES

Do you think getting
on a dolly is a fair
price. With taking all
this in consideration I
hope for all people left
that TRPA will say
enough is enough, com-
pensate this people with a
decent amount of money
and let them get on with
life.

Sincerely

Mike Newell
336 Page
Tahoe Shores
Moble Horn Park

**Letter
U
Response**

Mike Newell
February 15, 2008

U-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

Theresa Avance

From: Steve A. Ray [Steve.Ray@dhcnp.nv.gov]
Sent: Friday, February 29, 2008 12:52 PM
To: Theresa Avance
Subject: comment on proposed Beach Club Project
Attachments: BEACH CLUB COMMENTS.doc

Theresa, attached please find my comments on the proposed Beach Club Project. Since I am so near the deadline, would you do me the courtesy of emailing back that you received my letter? Thanks!!!!

Steve Ray

email Steve.Ray@dhcnp.nv.gov

2/29/2008

Comments concerning the Proposed Beach Club

February 29, 2008

My name is Steve Ray and I reside at 482 Arthur Dr, Stateline, NV in the Tahoe Shores Mobile Home Community. I purchased my home here in 1996. The following comments are mine, but I believe represent the views of nearly all of the remaining homeowners of the park.

After review of the initial draft of the EIS, I found several issues in Section 5.2 Housing/ Human Population that were not properly addressed and results in the initial draft being **fatally flawed**. I cannot stress the importance enough that these issues be addressed in their full weight on the final EIS report. The issues are: 1. the miscalculation of low and moderate income housing mitigation numbers; and 2. the failure to correctly represent the number of low and moderate income families affected by the Beach Club proposal; and 3. the failure to address quality of life issues; and 4. The loss of home equity.

1. The miscalculation of low and moderate income housing mitigation results

The EIS in its present initial draft form has calculated the number of homes requiring mitigation based upon an incorrect interpretation of data supplied by the applicant (Beach Club). As I interpret the reading, the number of home recognized as low and moderate income housing is based upon the space rents as represented by the Tahoe Shores LLC over the past five years and currently at over \$800/month including water and sewer costs. The results using these figures is *flawed*, as it does not represent an accurate count and is far lower than the obvious. Over the past five (5) years the park owner has engaged in a scheme to raise space rents inconsistent with the average space rent in all other parks in the State of Nevada. **As a matter of fact, the space rents have been raised to effectively DOUBLE the space rent of every other park in the entire State of Nevada.** This was deliberate act to accomplish the following:

1. Force out as many homeowners as possible prior to the EIS investigation, thereby reducing the park owner's representation of the number of affected homeowners and reducing the cost of mitigation of those remaining.

This was accomplished as the EIS classifies the population shift in this area as 'insignificant'.

2. Force out as many homeowners as possible with the intent of possessing abandoned home and buying as many as possible at 'fire-sale' prices, thereby reducing the park owners representation of the number of affected *homeowners*, with the goal of replacing them with *renters* (much easier to remove and not

subject to NRS requirements involving homeowners) and reducing the park owner's cost associated with 'move or buy-out'.

This was accomplished as stated above with EIS classification as 'insignificant'.

3. That high rents would ultimately be used to calculate the number of low and moderate income housing affected in this community, thereby reducing the number of houses requiring mitigation and reducing the park owners overall cost of redevelopment.

*This was accomplished as the EIS did calculate the number of low and moderate income homes based upon a space rent **artificially high** and not consistent with space rent charged in other parks in Nevada.*

In summary, in order for the represented space rent is be to used, the disparity between it and the amount of space rent consistent with other parks in Nevada must be reconciled by a thorough examination of the park owner's [seemingly] arbitrary space rent increases. Failing that, space rent data used to calculate the number of homes requiring mitigation is flawed and cannot be used because it bears no resemblance to the reality of space rent that *should have been-- and was before South Shore LLC owned this property -- charged. Using flawed data results in a flawed result!! Should a space rent that is more reflective of the real costs involved be used, the number of homes requiring mitigation will be far higher. I suggest using the space rent from SST pre-takeover in 2001 and then applying cost of living increases to represent increased space rent each year accordingly....or using manufactured housing division data for average space rents or space-rent increases, in Nevada over the same qualifying period.*

2. The Failure to correctly represent the number of affected low and moderate income families.

I believe the EIS should be reexamined in light of the assertions of the number of low and moderate income families affected for two (2) reasons:

- A. The number is miscalculated based upon an incorrect interpretation of the space rent, as outlined above.
- B. Even using the artificially-high space rent amount, not everyone pays that. Several years ago, in response to skyrocketing rent increases, the homeowners sought a rent-control ordinance from Douglas County. To settle the issue, the park owner agreed to sponsor a subsidy program for those eligible. To date, there are those who still participate and do not pay the full amount space rent charged -- the same amount used to calculate the number of low and moderate income families.

- C. The actual numbers aside, it would defy common sense *not* to believe that homeowners who purchased homes to reside in did so because they are low to moderate income and could not afford to purchase other property in this area costing so much more. De-facto evidence would substantiate this assertion when one examines the effect of the astronomical rising rents have had on the community- home abandonment, home sell-out to the park for pennies on the dollar, and so on. The net effect can be seen in the decline in homeowners from 2002 to present. If these were not low to moderate income families, they could have afforded the rent increases and remained. But to assume that those do who remain can afford the high space rent would be incorrect. Many are dying a slow financial death trapped in a lose-lose situation – the home won't sell because of redevelopment and the owner has to choose between paying outrageous rent, abandoning the home, or 'giving' it to owner in a 'fire sale'.

In summary, this entire 150 home community exists to fill a need in low income housing so desperately needed in this area. To assert that only a portion of this community meets the definition of low or moderate income in only the narrowest of technical margins *ignores the obvious*. The entire community is mostly low and some moderate income homeowners and one need only to tour [what's left of]the community to realize this. Should the factual basis of re-calculating the low and moderate income families be used, I believe the numbers will bear this out.

3. Quality of Life

Although this factor tends toward the abstract, the EIS statement **must** give it equal weight in importance because of its significance in people's lives who reside at the lake. This encompasses the very idea of WHY people choose to live here, as opposed to anywhere else. The EIS would appear to indicate that some displaced homeowners would be moved to low to moderate income housing, ie, rental units. I saw no indication that the EIS addressed moving affected homeowners to purchased housing. **It would be incorrect to presume that mitigation is adequate when – AND THIS IS AN IMPORTANT CONCEPT – homeowners are placed in rental units.** There can be no argument that the vested interest in one's home increases the financial stake in that home and the overall enjoyment of living. Home ownership is the American Dream and the homeowners in this community have enjoyed that dream for many, many years – some as much as 30 years. *Additionally there are those, myself included, who have invested their life savings in their home. Now, they are being told their dream is finished, their life savings is wiped out, and be prepared to move into an apartment.* And not a new apartment home either. It is understood that the park owner would deed-restrict some of the apartments that he currently owns – apartments that are as old and dilapidated as some of the mobile homes are claimed to be. The end result....the homeowner is now living in a home that is not wanted, without a financial stake in, and with life savings

(from equity) given to the park owner. You have now created an entire sub-class of desperately very-low income families.

Redistributing *Homeowners* into *Renters* is almost as destructive for the Stateline area, as a whole, as it is for the affected homeowner, as the area suffers from the lack of those who have a vested interest in the stability of the community and who need workforce housing. This must also be addressed in the EIS.

In summary, QAULITY OF LIFE issues must be recognized and addressed by the EIS and the TRPA must examine the impact to the aggrieved homeowners in terms of the loss of enjoyment of life and the park owner's responsibility (if he wants this project to move forward) to ease that loss however possible. To date, the park owner has not only schemed to decimate the park community, but ignored the needs of those who remained. Should the TRPA approve this project without holding him accountable is to aid and abet in this action.

4. Loss of Equity

Another factor which I did not see properly addressed was the loss of equity involved in the NRS-required purchase of homes that are unable to be moved or the owner is unable or unwilling to move it. As expressed above, many homeowners have lived in this park for a long time and many, myself included, have their life savings invested in their home. In my case, the purchase price in 1996 was \$20,000 at market price and I have invested approximately \$5000 in improvements since. As stated, the NRS requires the park owner to purchase units that will not be moved, at the appraised value (ie, blue book) of the unit, less the demolition cost. Unlike real property, in which the appraised value of the home includes the equity attached to its value, it is understood that the NRS is silent on this issue, merely addressing the blue book value of the home, to the exclusion of other factors such as purchase price, location, non-structural improvements and the value of attached rooms and carports. These factors influenced the home market price at a time before the redevelopment notice. **That is, homeowners did not purchase the homes for the blue book value. Homes were purchases based upon the current market value, just like real property. Whey then, should the park owner be allowed to purchase the home at the blue-book value, effectively stealing the equity from the homeowner??** By allowing the park owner to purchase the unit without consideration of this equity, plus the cost involved in relocation, is to cede our equity to the park owner for nothing and results in a **total loss of life savings** for us. The homeowners have attempted, on more than one occasion, to seek negotiation with the park owner for a fair and reasonable purchase settlement of our homes. To date, the park owner has offered nothing of value.

It is universally understood that redevelopment is for the express purpose of profit. The magnitude of this project would suggest a substantial profit. It is only reasonable that a profit expectation of this magnitude will *not* be made by asking

unreasonable prices for the new proposed condos. Therefore, why would it be unreasonable for the TRPA to require the applicant to treat the homeowners in the same fair and reasonable manner, considering the loss of their homes and [in many cases, such as mine] their life savings!!

I would submit that the TRPA has an obligation, in managing housing in the basin, particularly low and moderate income housing, to maintain the integrity in the supply of workforce housing. To that end, the TRPA should *demand* that redevelopment offset its impacts on those affected homeowners in a manner that allows fair and equitable treatment of those required to make way for it.

Thank you very much,

Steve Ray
482 Arthur St.
Tahoe Shores Mobile Home Community.

- V-1** This comment summarizes comments on subsequent pages of this comment letter and each is addressed individually below. Please see responses to Comments V-2 through V-5 below.
- V-2** The comment asserts that the wrong site rents were used in the analysis and that the space rents have been raised to effectively double the space rent of every other park in the entire state of Nevada. The rent increases were used to force homeowners out of the park. By forcing out the homeowners, as asserted in this comment, the park owners could buy abandoned homes at “fire sale” prices.
- Please see response to Comment Q-1. Moving out homeowners or changing tenants in the park has little or no influence on the housing analysis, nor does the number of remaining homeowners. The abandoned homes or so-called “fire sale” prices have no influence on the housing mitigation analysis. The comment illustrates the difficult interpretations of events and conditions that might affect the determination of housing mitigation at Tahoe Shores. The population shift cited in the comment does not relate to whether or not occupants moved into or out of the park during the period of analysis. It may be true that some tenants left as a result of increasing site rents. However, there were a variety of reasons for Beach Club acquisitions, including age and condition of the coaches and the normal attrition expected in the park. The project applicant has acquired a number of coaches, many of them older and in poor condition.
- V-3** The commenter asserts that the site rent in the DEIS is incorrect and that some tenants are paying less than the established rate based on an agreement with the park owners.
- Please see response to Comment Q-1. Tahoe Shores is providing a rent subsidy to a limited number of park tenants. This program was developed as a result of negotiation over rental increases. When the program was initially started, approximately 17 tenants applied and qualified for the subsidy. The number is currently seven. The project applicant voluntarily offered this tenant-based rental subsidy that stays with the individual and not the site. The application of TRPA ordinances to determine mitigation focuses on the housing option itself, not the economic circumstances of the individual or subsidy he or she receives. It is possible that a housing unit can be deemed affordable or moderate even if it is owned or occupied by an individual with substantial financial resources. In other words, the income or the economic circumstances of an occupant is not used to determine whether a housing option is affordable or moderate and subject to mitigation.
- V-4** The comment claims that quality of life must be given equal weight. It states that the EIS would appear to indicate that some owners may be moved to rental units and that there is no indication that the EIS addressed moving affected homeowners to purchased housing.
- Quality-of-life issues are subjective and difficult to incorporate into the housing analysis. There are no rules, regulations, or laws for quality of life pertaining to providing a guarantee that a person can live at a specific desired location for a specific cost. Lake Tahoe is a very desirable location, specifically a lakefront community.

The EIS does not imply that occupants would be moved to rental or purchased housing. The current tenants of Tahoe Shores would be given preference to rent or purchase available mitigation units. The ordinance requires that if moderate housing is lost to a subdivision, then an equal number of moderate (deed-restricted) housing must be provided. TRPA-required mitigation does not provide substitute-housing units for Tahoe Shores tenants, nor is it meant to compensate for the park's closure and relocation. The Nevada Revised Statutes are the appropriate mechanism for direct mitigation for the affected homeowners. The park owner will give priority to existing Tahoe Shores residents for the rental or purchase of available deed-restricted mitigation housing units.

V-5

The commenter asserts that the park owner is stealing equity from the mobile home owners by not recognizing the equity built up in the property similar to real property, and because homeowners did not purchase their units for "bluebook value."

Mobile home coaches decline in value with the age of unit. Marshall/Swift Valuation services (an appraisers' handbook) establishes depreciation tables based on the age of the unit. In-depth analysis of mobile home sales for the area would also support the decline in values. The location would not add to the equity of the unit because someone other than the homeowner owns the property. Such value would be captured in the site rents in the case of a mobile home park. The existence of any surplus value because of the location of Tahoe Shores would suggest that site rents were not adequate. It is also important to note that Tahoe Shores residents have never been assessed real property tax, nor have they been required to pay real property tax.

In terms of the value of other improvements, the Nevada Revised Statutes provide some compensation for structures that cannot be moved.

RECEIVED

FEB 29 2008

TAHOE REGIONAL
PLANNING AGENCY

2-28-08

Dear Ms. Avance -

My husband and I are 65 and 52 years old, respectively. When we bought our home here in Tahoe Shore eight years ago, we were paying \$750.00 per month for an ugly little 2 bedroom, 1 bathroom apartment. We crunched the numbers and knew if we used our savings to pay cash for this huge, beautiful, 3 bedroom, 2 bath home, we would be able to afford to live here through retirement. We've spent the last eight years, and a considerable amount of time, love & money improving our home and yard.

We both have our jobs in this area. I've been at my job for nine years, and my husband has been with his company for eleven years. If we had to move our home from this area, the commute to our jobs would increase by at least 50 miles each per day. That is a total of 500 commute miles per week, as opposed to the 72 current commute miles per week. The cost of gas alone would put us in the poor house.

I believe "Plan D" could not only work, but ultimately have a more positive impact on the environment in this area. At least 95% of the homes that are blighted or uninhabitable are owned by the park! The park owners are the ones not keeping

these homes up to the standards they require of the homeowners. This, I'm quite sure was done intentionally to help their case.

If these blighted homes were moved out, much of those spaces could be left uncovered, and the rest could be used for "up to standard" or new mobiles. These would be homes with upgrades like double-paned windows, more efficient heating systems, and thus less greenhouse effect. Most of us homeowners have already made these upgrades because, well, they save us money.

If the view of our homes from Hwy 50 while driving by Burger King "offends because of the mulki colors..." I'm sure everyone of would be willing to paint our homes jet black, if that's what it takes. And as for as what "they" can see from a boat - who cares?!? It's 50 yards out of 72 MILES of shoreline!

I am crying, in as a concise manner as possible to address issues that the owner's attorney and the young lady who followed him were allowed an interminable amount of time for. They were allowed to speak at length, and even show computer generated, virtual "looks ahead of what this wonderfully environmentally friendly community would be like" - for those who can afford it, of course. Those of us whose

Lives are so severely impacted by this decision, are allowed 3 minutes each. This does not give us any chance to give you our history as long-time locals who are living modestly, on Modest means, yet who work everyday and contribute to our local economy and serve our tourist industry.

Now, these owners "are prepared to offer us apartments at Aspen Grove." Remember the ugly little apartment I mentioned at the beginning of this letter? I'll give you 3 guesses where it was. DING DING DING! You guessed it - Aspen Grove. Eight years ago I moved FROM there. This is not an alternative.

I know "Plan D" would work. We could take back what these property owners have purposefully, and intentionally turned into a "kroiter park", and bring it back to the lovely gated community known as Tahoe Shores Mobile Home Estates.

Please help us in our quest.

Sincerely,

Karen ^{and} Stephen Saunders
479 ARTHUR DR.

W-1

This comment largely addresses the merits of the project and will be considered by decision-makers at the time of project approval.

Consistent with other studies for projects of this scope, the traffic study did not include evaluation of the additional travel that may be associated with relocation of existing site residents. Because this impact is dependent on many factors (such as the existing and future employment patterns of site residents, changes in overall employment levels, and changes in overall housing opportunities), such an analysis would by necessity include a high level of conjecture. In addition, TRPA and Douglas County have aggressive programs to expand affordable housing opportunities in the South Shore, reducing the need to commute from outside the Tahoe Basin. Also, the recent initiation of the Kingsbury Express public transit program from Gardnerville to Stateline provides transit service nine times per day, reducing the overall need for relocated employees to add to traffic volumes.

W-2

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

It is common practice for public agencies to allow individual commenters during a public hearing the opportunity to speak for a limited period of time. For TRPA, the standard amount of time afforded individuals is 3 minutes. Public agencies and members of the public were also encouraged to submit written comments on the DEIS during the public review period for consideration by decision-makers.

W-3

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval. Please also see response to Comment S-1.

RECEIVED

FEB 04 2008

TAHOE REGIONAL
PLANNING AGENCY

Jan 27/08

Dear Theresa,

I have been living in the Tahoe Shores Mobile Home Park since 1979. I am a senior citizen of 86 years. If they close the park and build condos, there won't be any place for me to go, and I am sure that I am not the only one that feels that way.

I thought when I came here to live, that I would be able to stay here for the rest of my life.

I was also told that when I moved here that this would remain a mobile home park.

Is there anyone in this world that has any compassion for the senior citizens that are living here? Do you realize how many people that are being put out of here or doesn't that bother you. There are also seniors ^{that} have medical problems.

Sincerely
Helen Butler

S
Helen T. Sauter
PO Box 3331
Stateline, NV 89449

LET US DARE TO THINK
THINK, SPEAK
John Adams, 1776
USA 41

RENO NV 895
01 FEB 2003 PM 1 L

Theresa Annand A.I.C.P.
Senior Planner T.R.P.A.
P.O. Box 5310
Stateline, No.
89449

**Letter
X
Response**

Helen Sauter
February 4, 2008

X-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

Edgar Scharruhn
PO Box 2333
Stateline, NV 89449

February 28, 2008

TRPA
Governing Board

RE: Beach Club Development

Attention Governing Board Members:

I'm a 50 year resident of Stateline, Nevada with thirty plus years in Oliver Park. I am also a board member of the OPGID so I am very well aware of the environmental problems in the district; for example, Kahle Drive. I understand that the developers will and must mitigate the existing environmental issues with this project; which will ultimately benefit Lake Tahoe. I believe that the project will also benefit the entire Oliver Park General Improvement District.

I am also aware that the existing tenants have certain rights as do the developers. Both parties can and have to abide by Nevada law.

Sincerely,



Edgar Scharruhn

RECEIVED

FEB 29 2008

LAKE TAHOE REGIONAL
PLANNING AGENCY

**Letter
Y
Response**

Edgar Scharruhn
February 29, 2008

Y-1

The commenter's support for the environmental benefits of the project is acknowledged.

Theresa Avance

From: ericscheetz@charter.net
Sent: Tuesday, February 26, 2008 6:44 PM
To: Theresa Avance
Subject: Beach Club on Lake Tahoe - Pier Extension

The pier is already long enough and should not be extended.
As a local fisherman from Minden, Nevada, It is already difficult enough to fish near the pier. Perhaps the present pier should be a public pier anyway.
Any construction work in the lake would harm the fishing and other wildlife of the area.
I do not want to see the pier expansion.

Thank you.
Eric Scheetz Sr.
PO Box 2608
Minden, Nevada 89423

**Letter
Z
Response**

Eric Scheetz Sr.
February 26, 2008

Z-1

The commenter suggests that the pier is long enough and does not need to be extended and that it is already difficult to fish near the pier. The commenter also suggests that any construction work in the lake would harm the fishing and other wildlife of the area. Please see response to Comment P-1.

RECEIVED

FEB 27 2008

TAHOE REGIONAL
PLANNING AGENCY

2-20-08

Teresa Anne A. D.C.P.
Senior Planner TRPA
PO Box 5310
Stateline Nev. 89449

we are fast losing our right-of-way to view the beauty of Lake Tahoe to high rise condos/time share along with gated roads and walk ways, shutting off the beaches we have walked on for so many years, to walk along the water's edge on a moon lit night will be lost forever.

Yes, I am a senior citizen having lived here Tahoe Shores for thirty one years, it's my home, there are absolutely no other places to go here in So. Lake Tahoe, I live on a limited income, that just won't do it, I had planned to live here for the balance of my life, another high rise/cond. time share could be a devastating blow to over eighty families mostly senior citizens all living on limited income, whom have paid their dues and now, with the threat of losing their homes, this is senior abuse no matter how you look at it please don't let this project go forward without the proper compensation to these seniors.

Sincerely,

Norma Thayer

775-588-2161

PO Box 3505

Stateline Nev.
89449

**Letter
AA
Response**

Norma Thayer
February 20, 2008

AA-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval. Regarding mobile home parks near the site that are available for relocation, please see response to Comment S-1.

January 26, 2008

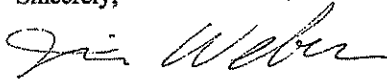
Ms. Theresa Avance, AICP
Senior Planner
Tahoe Regional Planning Agency
P.O.Box 5310
Stateline, NV 89449-5310

Re: The Beach Club on Lake Tahoe

Dear Ms. Avance,

I am Jim Weber and I live at 447 Arthur Drive in Tahoe Shores Mobile Home Park. My Wife and I have lived here for over 6 years. We understand that the owners of Tahoe Shores have the right under Nevada law to change the use of the park. I have assumed the park owners will eventually have an approved project. Once they have an approved project, they are required to pay for our move to a new location. We have been looking for an acceptable mobile home park to relocate to. We have found that the nice parks never have any vacancies. By chance we found a vacancy in a very nice park in Reno and we have taken the space. We are now paying space rent in two parks. As such, it would be to our advantage for the Beach Club on Lake Tahoe project to be approved as soon as possible.

Sincerely,



Jim Weber

775-588-9089

RECEIVED
JAN 28 2008
TAHOE REGIONAL
PLANNING AGENCY

Letter
BB
Response

Jim Weber
January 28, 2008

BB-1

This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.

RECEIVED

MAR 03 2008

Dear Theresa Avance, AICP;

TAHOE REGIONAL
PLANNING AGENCY

2-29-'08

Concerning the closure/restructuring of the Tahoe Shores Mobile Home Park;
Do you realize that there are actual human beings that live and enjoy life here, in the park??
When leaving the T.R.P.A. meeting in Incline, Wednesday, Feb. 13th, two of your co-horts who had been sitting at the governing table in the front, were heard to say "how do we get rid of these people"?

What people do you think they were referring to?? The taxpaying, voting, legal citizens who live here? The retirees, and grandmothers who live here? The teachers, plumbers, and court bailiffs who live here?? The military personnel, active and retired who live here? Or just the plain blue collar Americans who live here?

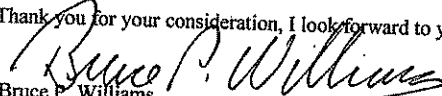
Your recently released "draft E.I.S." speaks of the park being in a "run down condition". Did you ever tour this park 6 or 7 years ago, before the present owners acquired it? When people here mowed their lawns, tended their flower beds, and washed their cars on a sunny Sunday afternoon? The park was a beautiful place with children playing and riding their bikes in the street. Now the current owners have taken possession of over two thirds of the units, renting them out for less than they're charging us, the long term homeowners, for space rent! Of course the park is looking run down, the managers aren't going to pay to maintain something that they're planning to tear down!

At the meeting Lew Feldman announced that they had purchased Aspen Grove apartments for the relocation of the homeowners here, have you ever toured that building? It was a roach infested crumbling ruin 20 years ago and I don't imagine that it has improved with age. I will guarantee you that no one presently owning a home in this park would ever move into that dump, check it out! Would you?

I believe your E.I.S. paper also states that if and when we are moved out of this park, our homes will be bought out with the aid of appraisers of the current market price of our homes. No, no, no!! We have received rent hikes for years now, along with explanations that we are being charged more because we compare with mobile home parks in Malibu, and Santa Barbara, with our scenic beauty and proximity and access to the lake. When it comes time to buy us out, we will be consulting the sales records and comparative values of the properties in these exclusive areas and make up our sales prices based on these figures! Also, Norma Thayer, one of our neighbors and current resident, is an active real estate agent and has sold homes in this park going back to its inception. She has records going back 30 years, showing how these homes have accrued in value and indeed would continue to do so if the park is allowed to remain as it is. To allow these greedy crooks to buy out little old ladies and retirees for pennies on the dollar is only slightly less despicable than child molestation!

Do we really need out of town speculators and lawyers to throw up another grandiose project that will in all probability wind up being yet another time-share project? Do you yourself believe that with the current state of the economy, that there will be sufficient building funds to complete their castles? What we need, is what we have, housing for 150 working and retired Tahoe families and residents. People who love the area and would be glad to help clean up this park and make it again what it so recently was, a beautiful and clean place to live and raise a family!

Thank you for your consideration, I look forward to your fair and equitable solution!


Bruce P. Williams

408 Arthur, P.O.B. 3191 Stateline, Nev. 89449 775-588-6891

P.S. Lets make sure that the sample of tool-grade obsidian unearthed here in the park, brought to your attention by Mr. Mike Newell at your recent T.R.P.A. meeting, along with many others still here on property, make it into the hands of the proper representatives of our friends of the local Washoe Native American Association!

- CC-1** This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
- CC-2** The comment asserts that the Nevada Revised Statutes are not the appropriate mechanism to establish values for mobile homes in the park. The statutes provide the only mechanism under the circumstances associated with mobile home park closure in Nevada.
- CC-3** This comment addresses the merits of the project and will be considered by decision-makers at the time of project approval.
- CC-4** Regarding the statement that “tool grade obsidian” presented by Mr. Newell at the TRPA Governing Board meeting was found within the Beach Club project area, it is highly unlikely that what is implied to be a natural source of obsidian has been found in this area because this material does not occur naturally in the Tahoe Basin. In addition, because up to six cultural resources investigations have been conducted within and in the immediate vicinity of the project area, it is similarly unlikely that a major deposit of obsidian prehistoric artifacts has been discovered by Mr. Newell. It is not entirely outside the realm of possibility that such a deposit was found or that these or similar materials presently lie in undocumented subsurface contexts; however, current professional research suggests that such discoveries are unlikely to have occurred in the past, and it is improbable that this type of discovery will be made in the future. Still, it would be advisable for Mr. Newell to provide samples of the obsidian to a qualified professional archaeologist and representatives of the Washoe Tribe of Nevada and California for examination and to provide the opportunity for an archaeologist and tribal member to visit the location of its reported discovery. If it is determined that the material represents a previously undocumented in-situ prehistoric archaeological occurrence, further investigations may be warranted.

4 REVISIONS AND CORRECTIONS TO THE DEIS

4.1 INTRODUCTION

This chapter includes revisions to the text in the DEIS following its publication and public review. The changes are presented in the order in which they appear in the original DEIS and are identified by DEIS page number. The changes shown in this chapter are the result of comments received on the DEIS that resulted in text modifications or corrections, and modifications to the text that reflect the changes to the proposed project (Alternative A) that occurred after circulation of the DEIS for public review and comments and that are described in Chapter 2, “Modifications to the Proposed Project.” The proposed text modifications do not affect the impact analysis or conclusions in the DEIS. Revisions are shown as excerpts from the DEIS text, with strikethrough (~~strikethrough~~) text for deletions and underline (underline) text for additions.

4.2 REVISIONS AND CORRECTIONS TO DEIS

Chapter 1, “Summary,” on page 1-2, the second paragraph is revised as follows:

Alternative A would result in the construction of ~~143~~124 ~~market rate for sale~~ condominiums (15 of the units may be moderate-income for-sale units as part of mitigation; the remainder would be sold at the market rate), located in lodge buildings, ~~and~~ residential estate buildings, a carriage house, and in and adjacent to a gate house. ~~In addition, 18 moderate income condominiums would be constructed in the carriage house and one additional moderate income unit would be constructed near the gate house.~~ Further, ~~395~~ off-site units would be deed-restricted as ~~affordable-moderate~~ income housing in Aspen Grove Apartments in the Oliver Park subdivision, and an additional 15 deed-restricted moderate income units would be deed-restricted either on or off site, resulting in a total of 54 moderate income-restricted units. The 39 affordable income housing units deed restricted at Aspen Grove would be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. Similarly, Since Douglas County maintains a TRPA-certified Local Government Moderate Income Housing Program, the 15 moderate income housing units would also be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. ~~Accordingly, 54 multi-residential bonus unit allocations would be sought from TRPA.~~

Chapter 1, “Summary,” on page 1-2, the first sentence of the fourth paragraph is revised as follows:

Alternative A would result in approximately ~~358,907~~ 375,452 square feet (sf) of coverage, a reduction of approximately ~~99,052~~ 82,507 sf from the existing TRPA-verified coverage (457,959 sf).

Chapter 1, “Summary,” on pages 1-6 and 1-7, Mitigation Measure 5.2.A-2 is revised as follows:

Mitigation Measure 5.2.A-2. Replacement of Moderate Income Housing. Mitigation shall be in the form of construction of an equal number of moderate income or more restrictive income level units, conversion of other structures to moderate income or more restrictive income level housing, restriction of subdivided units to moderate income or more restrictive income level housing units, or a combination of the above. The applicant shall provide ~~54 moderate income-restricted~~ replacement units as follows:

- ~~21.~~ A total of ~~353~~39 off-site housing units shall be purchased and converted to deed-restricted ~~moderate~~ affordable income units. The units will be located in the Oliver Park subdivision (directly east of the project - Douglas County, Nevada). The composition of such units in terms of the number of bedrooms shall be consistent with household demographics of Tahoe Shores Mobile Home Park and the Douglas County portion of Lake Tahoe. The majority of households including those in the Tahoe Shores mobile home park are comprised of one to three person households. Preference will be given first to income qualified Tahoe Shores residents, and then

to qualified Beach Club employees. The units will be rented at rates consistent with TRPA guidelines for moderate affordable income housing.

42. A total of ~~19~~ 15 ~~deed-restricted-moderate income condominiums units~~ shall be ~~deed restricted constructed~~ either on- or off-site before the final phase of project construction. One of the following could occur related to the remaining 15 replacement housing units: on the project site.

- The project applicant could construct 15 deed-restricted moderate-income for-sale condominium units on site as originally proposed; or
- The project applicant could acquire an additional 15 off-site market rate residential units in the south shore area of the Tahoe Basin that would become deed-restricted rental moderate-income units.

If the first option is exercised, preference for on-site mitigation units will be given first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Such units will consist of one, two, and three bedroom units. The 15 units will be sold at prices consistent with TRPA guidelines for moderate income housing.

Chapter 1, “Summary,” on page 1-7, Impact 5.2.A-3 in Table 1-1 is revised as follows:

5.2.A-3: Decrease in Housing Availability/Displacement of Residents. Alternative A would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied, and 128 of which had full-time residents as of February 2004. (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) The Nevada Revised Statutes would be followed to account for the Park’s closure and the displacement of residents. Alternative A would then result in the construction of 143 condominiums, ~~including 19 deed-restricted moderate income units.~~ (As part of Mitigation Measure 5.2.A-2, a total of ~~395~~ off-site housing units would be purchased and converted to deed-restricted affordable moderate income units, and an additional A total of 19 15 deed-restricted moderate income ~~condominiums units~~ shall be ~~constructed-deed restricted either on or off site,~~ for a total of 54 ~~moderate-income-restricted~~ units.) The loss of up to 12 units would not be a substantial reduction in the total housing stock in Stateline or Douglas County because the actual number of occupied mobile homes at Tahoe Shores has ranged between 140 and 150 units. Furthermore, the reduction of as many as 12 units only represents 0.25% of the total housing stock in Douglas County (4,769 units).

Chapter 1, “Summary,” on page 1-10, Impact 5.3.A-1 in Table 1-1 is revised as follows:

5.3.A-1: Consistency with Regional Plan Land Use Goals and Policies. Alternative A would result in 143 for-sale condominiums, construction of a beach and swim club, expansion of the existing pier, and relocation of three existing buoys. Alternative A would result in approximately ~~358,907~~ 375,452 sf of site coverage representing a reduction of approximately ~~99,052~~ 82,507 sf of site coverage in comparison to the TRPA verified coverage for the site. Alternative A would be consistent with the Goals and Policies of the Regional Plan as described in Table 5.3-1. This impact is considered less than significant.

Chapter 1, “Summary,” on pages 1-12 and 1-13, Impact 5.4.A-1 in Table 1-1 is revised as follows:

5.4.A-1: Land Coverage. Alternative A would result in a total of approximately ~~358,907~~ 375,452 sf (8.2462 acres) of coverage, a reduction in site coverage of approximately ~~99,052~~ 82,507 sf (~~1.892-27~~ acres) or 1822% from the TRPA-verified coverage (457,959 sf or 10.51 acres); the majority of the coverage reduction would be within ~~primary~~-SEZ (LCD 1b) areas. Alternative A would also result in the relocation of some existing coverage and the restoration of approximately 2 acres of SEZ habitat. On the whole, the coverage reduction, the

relocation of coverage, and the proposed restoration associated with Alternative A would provide a net environmental benefit. For this reason this would be a beneficial impact.

Chapter 1, “Summary,” on page 1-21, Impact 5.5.A-2 in Table 1-1 is revised as follows:

5.5.A-2: Impervious Surface Area and Runoff. Development of Alternative A would result in approximately ~~358,907~~ 375,452 sf of coverage, a reduction of approximately ~~99,052~~ 82,507 sf from the existing TRPA verified coverage (457,959 sf) on the project site. Alternative A would alter the course and volume of runoff from the project site during storm events, but the runoff volume would be reduced through the decrease in coverage and the design and implementation of BMPs and drainage facilities that meet or exceed TRPA requirements. This impact is considered beneficial.

Chapter 1, “Summary,” on page 1-49, the second bullet on the page (the fourth bullet of Mitigation Measure 5.9.A-5) is revised as follows:

- ▶ Equipment shall be cleaned at designated wash stations after leaving invasive/noxious weed infestation areas. If deemed necessary, wash stations shall be identified by the resource specialists before construction activities begin in a particular segment and shall be approved by the agencies. All equipment coming onto the project area ~~from weed-infested areas or areas of unknown weed status~~ shall be cleaned of all attached soil or plant parts.

Chapter 1, “Summary,” on page 1-85, Impact 5.14-2 in Table 1-1 is revised as follows:

5.14-2: Cumulative — Loss of Moderate Income Housing. The analysis in Section 5.2, “Population and Housing,” determined that none of the mobile homes at the Tahoe Shores Mobile Home Park qualify as affordable housing. However, the analysis did determine that 54 mobile home units qualify as moderate-income housing. Implementation of Alternatives A, B, C and E would result in the closure of the Tahoe Shores Mobile Home Park and the loss of the 54 moderate-income housing units. Only Alternatives A and C, which would result in subdivision of the property, would be required to mitigate for the loss of those 54 moderate-income units, by providing 54 deed-restricted moderate-income units, or units meeting more restrictive income levels, on- or off-site. Under Alternatives B and E, no mitigation for the loss of moderate-income units would be provided. In relation to the demand for affordable and moderate income housing in the region, the potential loss of moderate-income housing due to the project under Alternatives B and E would contribute to the cumulative loss of the already relatively small pool of moderate-income housing available in the region as well as increase the demand for moderate-income housing.

Chapter 2, “Introduction,” on page 2-3, Table 2-1 is revised as follows:

Table 2-1 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Douglas County	Site Improvement Permit	Grading and engineering work
Douglas County	Building Permit	Building architecture
Douglas County Sewer Improvement District	Sewer Permit	Authorization for sewer connections
Nevada Division of Environmental Protection	SWPPP	Activities related to soil disturbance; <u>project plans and specifications are also subject to review and approval before construction</u>
Kingsbury General Improvement District	N/A	Authorization for water connections
Nevada Division of State Lands	Lease Agreement	Pier construction or expansion

Table 2-1 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Tahoe Regional Planning Agency	TRPA Permits	Threshold attainment
U.S. Army Corps of Engineers	<u>Regional General</u> <u>Permit 16SEZ Restoration</u>	Discharge of fill materials in waters of the U.S.
Reviewing Agency	Issue/Authority	
Douglas County Sheriffs Department	Public safety	
Tahoe Douglas Fire District	Fire safety	
Nevada Department of Transportation	Traffic	
Nevada Division of Wildlife	Wildlife	
U.S. Fish and Wildlife Service	Wildlife	
State Historic Preservation Office	Cultural resources	
<i>Franchise Utilities</i> (Southwest Gas, Sierra Pacific Power, Charter Communications Cable, SBC Nevada Bell)		
SWPPP = storm water pollution prevention plan SEZ = stream environment zone		

Chapter 3, “Project Description,” on page 3-1, the first sentence of the second paragraph is revised as follows:

Tahoe Shores Mobile Home Park consists of 155 mobile home spaces, 150 of which are occupied, with two parallel access roads, Arthur Drive and Eugene Drive, clustered on the 17.26-acre parcel (Exhibits 3-3 and 3-3A).

Chapter 3, “Project Description,” on page 3-1, the first sentence of the fifth paragraph is revised as follows:

The project site is located in Plan Area Statement (PAS) 077 (Oliver Park) and PAS 070A (Edgewood) (Exhibits 3-3 and 3-3A).

Chapter 3, “Project Description,” Exhibit 3-3A below has been added after Exhibit 3-3 on page 3-5 of the DEIS.

Chapter 3, “Project Description,” on page 3-7, Exhibit 3-4 has been revised as shown below.

Chapter 3, “Project Description,” Exhibits 3-4A and 3-4B below have been added after Exhibit 3-4 on page 3-7.

Chapter 3, “Project Description,” on page 3-7, the second sentence of the first paragraph is revised as follows:

Alternative A, the proposed project, involves closure of the mobile home park according to the Nevada Revised Statutes, removal of the 155 existing mobile home spaces (150 occupied units), realignment of the project site roadways and utilities, construction of ~~143 124 market rate for sale condominiums (15 of the units may be moderate-income for-sale units as part of mitigation; the remainder would be sold at the market rate) and 19 for-sale deed restricted moderate-income condominiums,~~ acquisition of ~~35 39~~ off-site residential units that would also become deed-restricted ~~affordable moderate income units,~~ construction of a beach and swim club, expansion of the existing pier, construction of stormwater treatment facilities, and SEZ restoration (Exhibits 3-4, 3-4A and 3-4B).

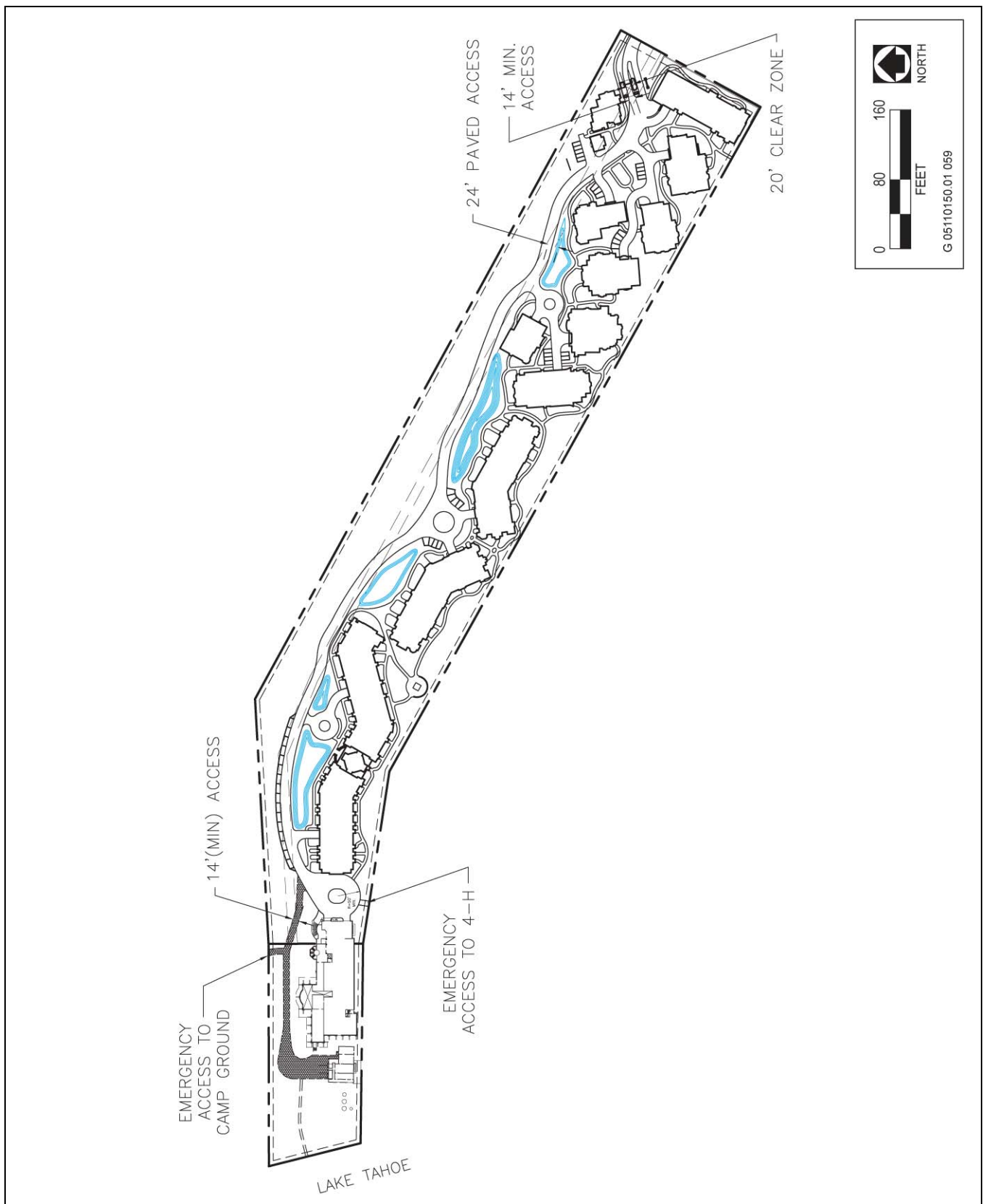
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Source: Nichols Consulting Engineers 2008

Alternative A – Proposed Project Site Plan

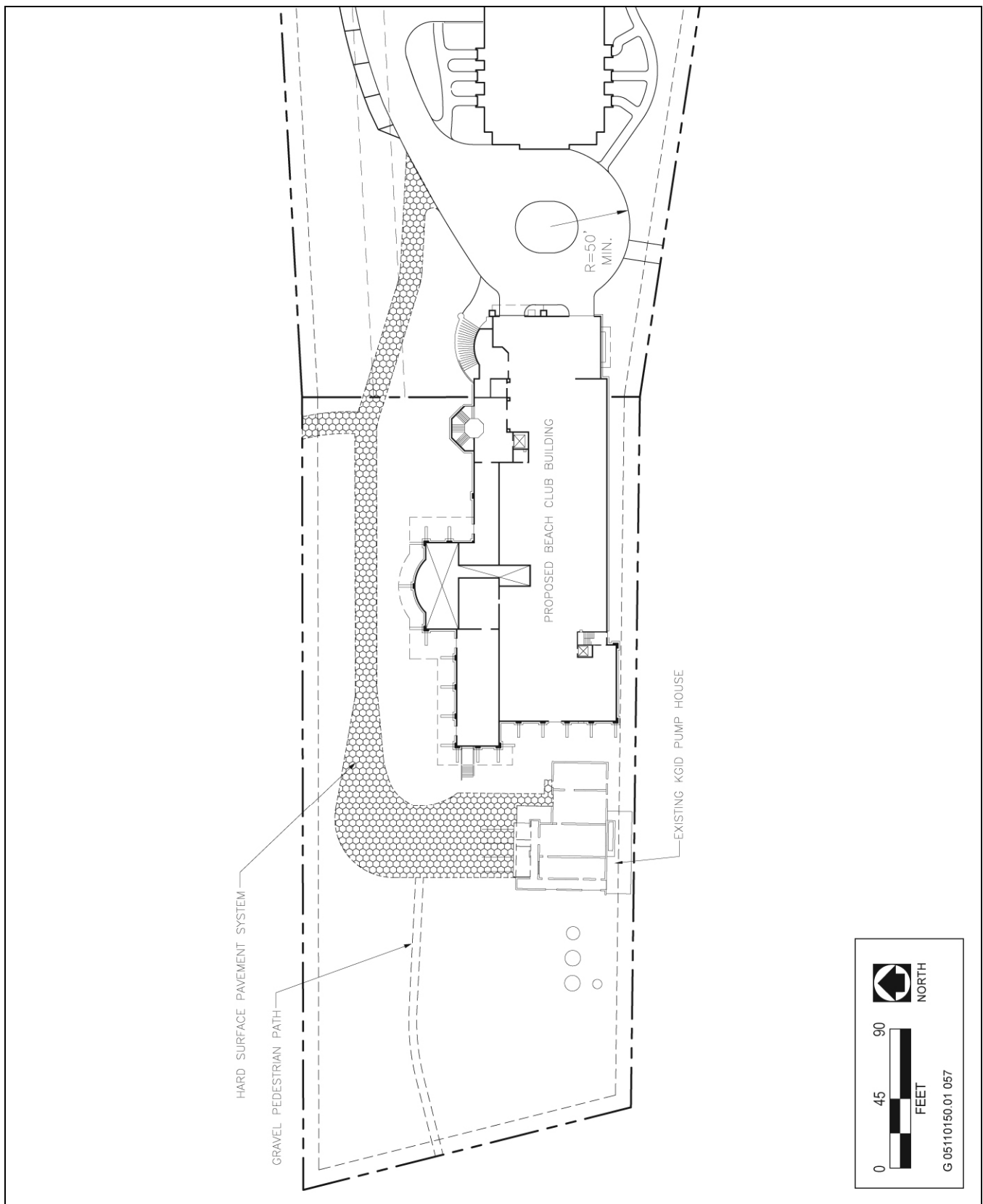
Exhibit 3-4



Source: Nichols Consulting Engineers 2008

Alternative A – Proposed Access Plan

Exhibit 3-4A



Source: Nichols Consulting Engineers 2008

Alternative A – Proposed KGID Access Road

Exhibit 3-4B

Chapter 3, “Project Description,” on page 3-8, the first sentence of the first paragraph is revised as follows:

As illustrated in the site plan for Alternative A (Exhibits 3-4, 3-4A and 3-4B), the proposed project would include realigning the two parallel roads on the site. Arthur Drive and Eugene Drive would be removed and replaced by a single two- way road running east-west through the project site.

Chapter 3, “Project Description,” on page 3-8, the third paragraph is revised as follows:

A designated 5-foot pedestrian path (Exhibits 3-4, 3-4A and 3-4B) would be developed to direct site beach goers to the lakefront and away from biologically-sensitive areas north of the site and the existing KGID buildings.

Chapter 3, “Project Description,” on page 3-11, the second paragraph is revised as follows:

The Douglas County Sewer Improvement District collects and treats wastewater from the project site. The District has two major gravity sewers located within the project area. Flows from the lower Kingsbury area are transported to the Beach Pump Station in a gravity sewer along Kahle Drive, then Arthur Drive, which is located in the Tahoe Shores Mobile Home Park. The other line services the casino core, aligning across Edgewood Golf Course, the University 4-H Camp, and Tahoe Shores. The proposed project would continue to be served by the existing gravity-flow sewer system. It is estimated that 4-inch to 8-inch wastewater pipelines would be installed and/or realigned as necessary to serve the proposed project buildings. An existing 12-inch sewer force main that runs the length of the property would remain in its current underground alignment and utility easement. These existing and realigned sewer lines would gravity feed to a pump station just north of the project site, where the wastewater would be pumped to the District’s treatment plant at Round Hill.

Chapter 3, “Project Description,” on pages 3-11 and 3-12, the discussion under the heading “Residential Buildings” is revised as follows:

RESIDENTIAL BUILDINGS

As illustrated in the site plan for Alternative A (Exhibits 3-4, 3-4A and 3-4B), the proposed project would consist of 143 single-family condominiums on the 17.26-acre parcel (PAS 077) and the creation of a Homeowner’s Association. The project site would be subdivided through the two-step subdivision process for post-1987 projects in accordance with Sections 41.3.G and Chapter 43.4 of the TRPA Code of Ordinances, which would therefore allow for the sale of the condominiums. All residential buildings would be designed to comply with TRPA building height standards (TRPA Code of Ordinances Chapter 22) (see “Building Heights” below) and would be equipped with fire sprinklers. The architectural design of the residential buildings would be rustic alpine styling. The design elements would include steeply pitched roofs, exposed wood elements, shingle and stone exteriors, and oversized porches. The building materials would include natural materials such as rock and wood, and muted colors would be used, and roofs would be constructed out of fire resistant materials (i.e., asphalt shingles or other fire resistant material). A common open space area would be situated in and around the residential units and would be connected by a meandering pedestrian path (Exhibits 3-4, 3-4A and 3-4B).

All of the residential buildings would be constructed with materials that abate noise transmission (such as double paned windows) to address potential impacts related to noise generated by activities at the 4-H Camp to the south of the project site. Beach Club, Inc. would provide buyers and residents a disclosure statement in the Declaration of Covenants, Conditions, and Restrictions documents that includes a description of 4-H Camp events, activities, and the potential for noise.

All residential units would be equipped with natural gas fireplaces.

Market-Rate For-Sale Housing Units

Alternative A would include ~~construction of 143~~ 124 market-rate for-sale single-family condominiums ~~(15 of the units may be deed-restricted moderate-income for-sale units as part of mitigation [see discussion below]; the remainder would be sold at the market rate)~~ ranging in size from approximately ~~1,250~~ 800 square feet (sf) to 3,000 sf. Approximately 83 market-rate for-sale units would be located in four lodge buildings (Exhibits 3-4 and 3-5). The lodge buildings would be three-story buildings consisting of one, two, and three bedroom units. Each lodge building would include an enclosed parking area; one parking space would be assigned to each condominium and the remaining parking would be available to residents, guests, and employees.

~~The remaining 11~~ Market-rate for-sale condominiums would also be constructed in two clusters of residential estate home buildings (38 units) (Exhibits 3-4 and 3-6) and in the gate house (3 units) (Exhibits 3-4 and 3-7). The residential estate buildings would contain four, six, or eight individual units, and the gate house would contain three units, ranging in size from 1,250 sf to 3,000 sf. One covered parking space would be assigned to each condominium and the remaining spaces (available to residents, guests, and employees) would be provided in clusters of surface parking.

Eighteen condominiums would be constructed in the carriage house, at the eastern end of the project site near the entrance (Exhibits 3-4 and 3-8). A single condominium would also be constructed next to the gate house. These 19 remaining units would range in size from 800 sf to 1,200 sf and one covered parking space would be assigned to each unit; the remaining spaces (available to residents, guests, and employees) would be provided either within the building or in clusters of surface parking.

Income-Restricted Moderate-Income For-Sale Housing Units

TRPA defines moderate income housing as “residential housing, deed restricted to be used exclusively as a residential dwelling by permanent residents with an income not in excess of 120% of the respective county’s median income. Such housing units shall be made available for rental or sale at a cost that does not exceed the recommended state and federal standards. Each county’s median income will be determined according to the income limits published annually by the Department of Housing and Urban Development.” Moderate income housing is defined in the TRPA Code of Ordinances, Section 41.2.F. TRPA Code of Ordinances Chapter 43.2.B requires mitigation for the loss of moderate income housing resulting from subdivision of a site. Chapter 43.2.B states that mitigation shall be in the form of construction of an equal number of moderate income units, conversion of other structures to moderate income housing, restriction of subdivided units to moderate income housing units, or a combination of these. The proposed project would result in the subdivision of the project site and the removal of 54 existing mobile homes that qualify as moderate income units. Therefore, the proposed project is required to provide 54 moderate income housing units.

~~Alternative A would include the construction of 19 deed-restricted moderate-income for-sale condominiums on the project site. Eighteen moderate-income condominiums would be constructed in the carriage house, at the eastern end of the project site near the entrance (Exhibits 3-4 and 3-8). A single moderate-income condominium would be constructed next to the gate house. The moderate-income units would range in size from 800 sf to 1,200 sf and one covered parking space would be assigned to each unit; the remaining spaces (available to residents, guests, and employees) would be provided either within the building or in clusters of surface parking.~~

~~In addition to the 19 deed-restricted moderate-income condominiums to be constructed on the project site, As part of the project,~~ Beach Club, Inc. would acquire ~~the 35-39~~ off-site residential units in Aspen Grove Apartments (Aspen Grove) in the Oliver Park subdivision (directly east of the project in Douglas County, Nevada) that would ~~also become deed-restricted moderate-affordable-income units. (Note: these 35-39 units are not currently deed restricted and may be rented at market rate.)~~ The restriction of these units to meet the more stringent affordable-housing criterion (income not in excess of 80% of the county’s median income) is proposed in response to public testimony and comments made by TRPA Governing Board members at the DEIS public hearing held on February 28, 2008.

The location of the remaining 15 units has not been determined. These units would be deed restricted either on- or off-site before the final phase of project construction. One of the following could occur related to the remaining 15 replacement housing units:

- ▶ The project applicant could designate 15 of the market-rate units described above as deed-restricted moderate-income for-sale condominium units on site; or
- ▶ The project applicant could acquire an additional 15 off-site market rate residential units in the south shore area of the Tahoe Basin that would become deed-restricted rental moderate-income units.

If the first option were exercised, preference for on-site mitigation units would be given first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Such units would consist of one, two, and three bedroom units and would be constructed in the carriage house in lieu of the market-rate units described above. The 15 units would be sold at prices consistent with TRPA guidelines for moderate-income housing.

This would provide a total of 54 ~~income~~deed-restricted ~~housing moderate-income~~ units (39 affordable income and 15 moderate income units). The 39 affordable income housing units deed restricted at Aspen Grove would be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances, as described below. Similarly, ~~Since~~ Douglas County maintains a TRPA-certified Local Government Moderate Income Housing Program, the ~~15~~se moderate income housing units would also be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. ~~Accordingly, 54 multi-residential bonus units would be sought from TRPA for the 19 on-site and 35 off-site moderate income units.~~

Multi-Residential Bonus Units

In accordance with Section 35.2.F of the TRPA Code of Ordinances, which provides that bonus units may be assigned for existing residential units of use if the property is deed restricted for affordable housing, Beach Club, Inc. requests that TRPA's approval of the project include an award of 39 bonus units for the 39 deed-restricted affordable units to be established at Aspen Grove. Beach Club, Inc. would permanently deed restrict the units at Aspen Grove prior to acknowledgment of the TRPA permit.

To qualify for an award of multi-residential bonus units, the proposed density shall not exceed the maximum density limits set forth in the Plan Area Statement (PAS) or Code of Ordinances and multi-residential uses shall be designated in the PAS as a permissible use. Multifamily dwellings are an allowed use in PAS 077, in which Aspen Grove is located; however, the density exceeds the maximum permissible in the TRPA Code of Ordinances and PAS.¹ To satisfy the density requirement, Beach Club, Inc. proposes to create a project area consisting of the Aspen Grove property and a 2-acre parcel on the project site as described below. The project applicant would record a deed restriction against the parcels, assuring that the density calculations would always be made as if the parcels had been legally consolidated.

Linked Project Status/EIP Project Number 506

Pursuant to Section 20.3.D(1)(a)(v) of the TRPA Code of Ordinances, a project area consisting of noncontiguous parcels may be created for coverage and density purposes to facilitate a project having "Linked Project Status." The Linked Project Status designation allows the applicant and TRPA to engage in negotiations for approval of a development project that is linked to a parcel beyond the project area and accomplishment of one or more Environmental Improvement Program (EIP) projects (Section 31.5 of the TRPA Code of Ordinances).

Accordingly, Beach Club, Inc. proposes to partially implement an EIP project on the adjacent University of Nevada 4-H camp site (Assessor's Parcel Number [APN] 1318-22-002-005) and seek Linked Project Status

¹ The 1.08-acre Aspen Grove site includes a total of 39 units and has a density of 36 units per acre. The permissible density in PAS 077 is 15 units per acre.

designation for the proposed project to enable the creation of the above-described project area and satisfy the density requirements for an award of multi-residential bonus units. The EIP project involves the undergrounding of approximately 354 linear feet of the lakefront overhead utility lines at the 4-H camp site (Scenic Resources EIP Project Number 506), and is in addition to the utility undergrounding that would be done on the project site. EIP Project Number 506 applies to Shoreline Travel Unit 30, Edgewood, which encompasses the shoreline between Elk Point and the Nevada-California state line. This project involves removing overhead utility lines that run along the shoreline by placing them underground, and reducing the visual contrast of lakefront structures. By placing the overhead lines underground at the 4-H camp site, the Beach Club project would further ameliorate conditions that now contribute to the nonattainment status of Shoreline Travel Unit 30, Edgewood. This would result in progress toward attainment of Scenic Thresholds, although not to a degree to which attainment throughout the unit would be achieved. Implementation of this portion of the EIP project would require participation by the University of Nevada 4-H camp, although the project would be fully funded by Beach Club, Inc. Neither the University of Nevada nor the affected utility providers are proposing to complete this EIP project any time in the foreseeable future, and the proposed project would ensure that this would happen.

To be designated as a candidate for Linked Project Status, a development project must meet the following criteria specified in Section 31.5.A(1) of the TRPA Code of Ordinances:

- (a) The development project is linked to accomplishment of one or more EIP projects, but is not an EIP project itself.
- (b) Participation in creating environmental improvements goes beyond that otherwise required on site for the non-EIP project.
- (c) There is more than one stakeholder required to accomplish the EIP improvements.
- (d) Accomplishment of the EIP project may require an agreement between TRPA and implementation partners.
- (e) A combination of public and private funds may be required to accomplish the EIP project.
- (f) Status designation is justified as the best approach to EIP implementation.

As a result of the Linked Project Status designation for the proposed project, which would include the deed restriction of Aspen Grove, Beach Club, Inc. proposes to create a project area consisting of the 1.08-acre Aspen Grove property and the 2-acre stream environment zone (SEZ) parcel that would be restored as part of the proposed project and created as a separate parcel through the two-step subdivision process. The consolidated project area would contain approximately 3.08 acres and have a permissible density of 46 units for multifamily dwellings (based on 15 units per acre). A deed restriction would be recorded against these parcels to ensure that density would be calculated as if the parcels had been legally consolidated. Aspen Grove would then conform to TRPA's density standards and be eligible for an award of multi-residential bonus units to the project applicant.

Chapter 3, "Project Description," on page 3-12, the first sentence of the fourth full paragraph is revised as follows:

As shown in the proposed site plan (Exhibits 3-4, 3-4A and 3-4B), the project would include a beach and swim club, which would qualify as a participant sports facility.

Chapter 3, "Project Description," on page 3-24, the second sentence of the second full paragraph is revised as follows:

The remaining 10% of parking spaces would be paved surface spaces provided throughout the project site (see Exhibits 3-4, 3-4A and 3-4B).

Chapter 3, “Project Description,” on page 3-27, the first part of the last paragraph is revised as follows:

Alternative A, the proposed project, would result in approximately ~~358,907~~ 375,452 sf of coverage, as shown in Exhibit 3-12. (Note: the delineation between primary and secondary SEZ areas in Exhibit 3-12 is intended to distinguish between areas identified as SEZ using the primary (key) indicators and those using secondary indicators; under TRPA regulations all SEZ areas have the same land capability designation.) This would be a reduction of approximately ~~99,052~~ 82,507 sf of site coverage in comparison to the TRPA verified coverage for the site.

Chapter 3, “Project Description,” on page 3-31, Exhibit 3-12 has been revised as shown below.

Chapter 3, “Project Description,” on page 3-37, the third sentence of the first paragraph is revised as follows:

The reduction in pollutant loading from runoff would be achieved through a reduction of approximately ~~99,052~~ 82,507 sf of coverage, landscaping that would include soil treatment to provide good infiltration capacity and nutrient uptake, and the BMPs implemented as part of the stormwater pre-treatment.

Chapter 3, “Project Description,” on page 3-38, the following text has been added after Table 3-3 and before the heading “Tree Removal”.

Lawn maintenance activities for the proposed project would involve the use of fertilizers and pesticides that would have the potential to flow off site or leach into the groundwater, and ultimately the lake. A fertilizer management plan would be incorporated into the proposed project development plans that complies with Chapter 81, Section 81.7, of the TRPA Code of Ordinances. The plan shall include, but not be limited to, the following measures:

- ▶ During lawn maintenance only chemicals and chemical application procedures that are lawfully permitted in the State of Nevada and by TRPA shall be used.
- ▶ Chemical applications shall be avoided in unpredictable weather where a storm may occur immediately after application.
- ▶ Grounds maintenance personnel shall act responsibly when applying chemicals, shall follow label directions, and shall know key chemical properties of applied chemicals.
- ▶ Setbacks shall be maintained between SEZ areas and managed turf.

Chapter 3, “Project Description,” on page 3-42, Table 3-5 is revised as follows:

Table 3-5 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Douglas County	Site Improvement Permit	Grading and engineering work
Douglas County	Building Permit	Building architecture
Douglas County Sewer Improvement District	Sewer Permit	Authorization for sewer connections
Nevada Division of Environmental Protection	SWPPP	Activities related to soil disturbance; <u>project plans and specifications are also subject to review and approval before construction</u>

Table 3-5 Required Permits and Reviews		
Permitting Agency	Permit Name	Purpose of Permit
Kingsbury General Improvement District	N/A	Authorization for water connections
Nevada Division of State Lands	Lease Agreement	Pier construction or expansion
Tahoe Regional Planning Agency	TRPA Permits	Threshold protection
U.S. Army Corps of Engineers	<u>Regional General Permit 16</u> SEZ restoration	Discharge of fill materials in waters of the U.S.
Reviewing Agency	Issue/Authority	
Douglas County Sheriffs Department	Public safety	
Tahoe Douglas Fire District	Fire safety	
Nevada Department of Transportation	Traffic	
Nevada Division of Wildlife	Wildlife	
U.S. Fish and Wildlife Service	Wildlife	
State Historic Preservation Office	Cultural Resources	
<i>Franchise Utilities</i> (Southwest Gas, Sierra Pacific Power, Charter Communications Cable, SBC Nevada Bell)		
SWPPP = storm water pollution prevention plan <u>SEZ = stream environment zone</u>		

Chapter 4, “Alternatives,” on page 4-1, the first sentence of the fifth paragraph is revised as follows:

Alternative A is the proposed Beach Club on Lake Tahoe Project (Beach Club Project), discussed in detail in Chapter 3 of this environmental impact statement (EIS) (Exhibits 3-4, 3-4A and 3-4B).

Chapter 4, “Alternatives,” on page 4-1, the last paragraph is revised as follows:

Alternative A would result in the subdivision of the project site in accordance with Sections 41.3.G and Chapter 43.4 of the TRPA Code of Ordinances and the construction of ~~143~~124 ~~market-rate for-sale~~ condominiums, located in lodge buildings and residential estate buildings (Exhibits 3-5 through 3-7). In addition, to mitigate for the loss of 54 moderate income housing due to subdivision of the site (TRPA Code of Ordinances, Section 43.2.B), ~~18 for-sale moderate income condominiums would be constructed in the carriage house, one additional for-sale moderate income condominium near the gate house (Exhibit 3-8), and 35~~ 39 off-site residential units would be acquired and deed-restricted as ~~moderate-affordable-income~~ housing. The remaining 15 units would be located and deed restricted either on- or off-site before the final phase of project construction. One of the following could occur related to the remaining 15 replacement housing units:

- ▶ The project applicant could designate 15 of the market-rate units described above as deed-restricted moderate-income for-sale condominium units on site; or
- ▶ The project applicant could acquire an additional 15 off-site market rate residential units in the south shore area of the Tahoe Basin that would become deed-restricted rental moderate-income units.

EXISTING LAND COVERAGE CALCULATIONS: SUMMARY

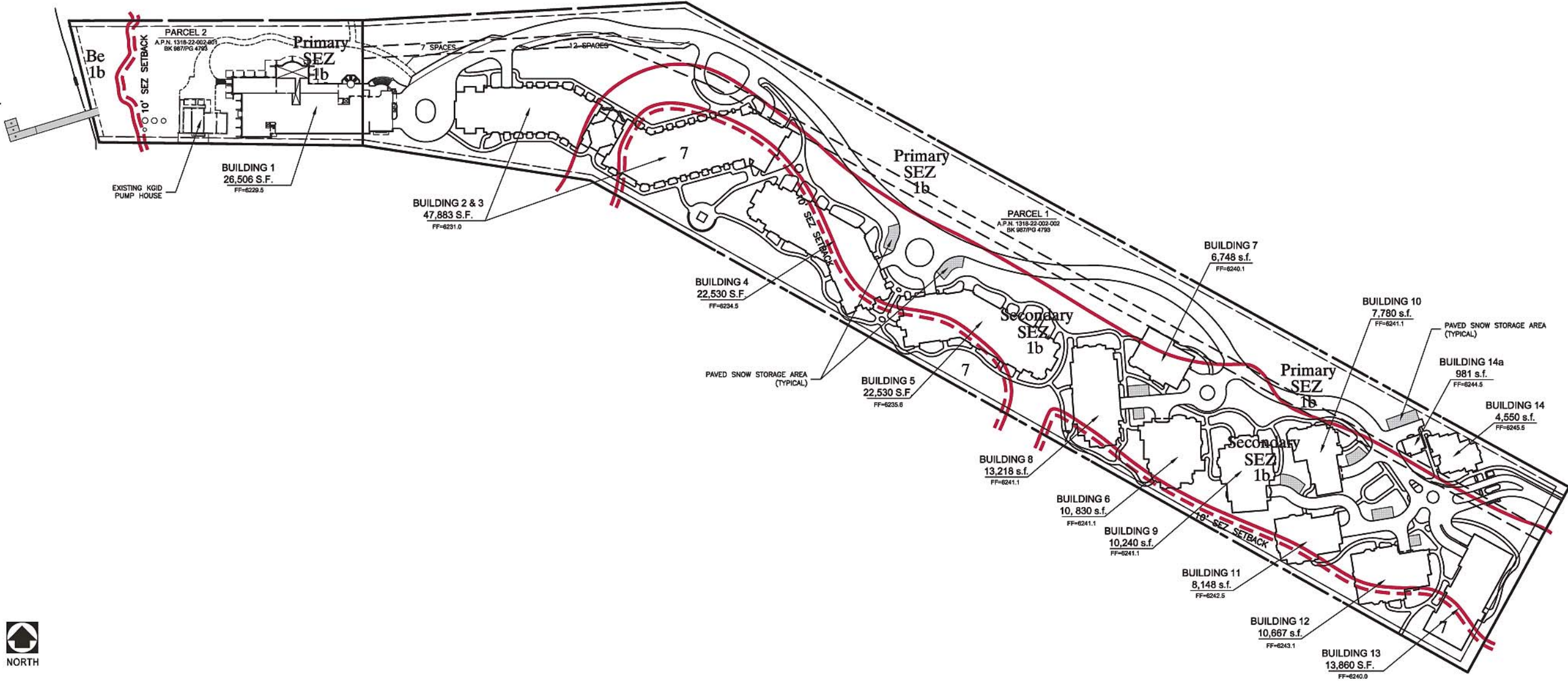
Parcel 1 = APN: 1318-22-002-002
Parcel 2 = APN: 1318-22-002-001

Parcel	Land Capability District	Percent Allowable	Area (sq. ft.)	Allowable Coverage	Existing Coverage
1	1b	1%	602,118	6,021	361,057
	7	30%	149,656	44,897	78,484
	Totals		751,774	50,918	439,541
2	1b	1%	103,227	1,032	20,580
	7	30%	0	0	0
	Totals		103,227	1,032	20,580
1 & 2	1b	1%	705,345	7,053	381,637
	7	30%	149,656	44,897	78,484
	Totals		855,001	51,950	460,121
Coverage Reduction					-2,162
Total Existing Coverage					457,959

PROPOSED LAND COVERAGE CALCULATIONS: DETAILS

Parcel 1 = APN: 1318-22-002-002
Parcel 2 = APN: 1318-22-002-001

FEATURES	Parcel 1			Parcel 2			Parcels 1 & 2		
	LAND CAPABILITY DISTRICT			LAND CAPABILITY DISTRICT			LAND CAPABILITY DISTRICT		
	1b	7	Totals	1b	7	Totals	1b	7	Totals
Buildings (SF)	127,291	51,813	179,104	21,380	0	21,380	148,671	51,813	200,484
Utility Pads (SF)	440	881	1,321	0	0	0	440	881	1,321
Roads (SF)	98,810	0	98,810	6,605	0	6,605	105,415	0	105,415
Walking Paths (SF)	31,404	15,514	46,918	0	0	0	31,404	15,514	46,918
Decks (SF)	0	0	0	3,507	0	3,507	3,507	0	3,507
Soft Coverage (SF)	0	0	0	0	0	0	0	0	0
Walls (SF)	1,111	151	1,262	0	0	0	1,111	151	1,262
Total Proposed	259,056	68,359	327,415	31,492	0	31,492	290,548	68,359	358,907



Source: Nichols Consulting Engineers 2008

Alternative A – Land Capability Districts and Proposed Coverage

Exhibit 3-12

If the first option were exercised, preference for on-site mitigation units would be given first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Such units would consist of one, two, and three bedroom units and would be constructed in the carriage house in lieu of the market-rate units described above. The units would be sold at prices consistent with TRPA guidelines for moderate-income housing.

This would provide a total of 54 income-restricted housing units (39 affordable income and 15 moderate income units). The 39 affordable income housing units deed restricted at Aspen Grove would be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. Similarly, ~~Since~~ Douglas County maintains a TRPA-certified Local Government Moderate Income Housing Program, the 15~~se~~ moderate income housing units would also be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. Accordingly, ~~54 multi-residential bonus units would be sought from TRPA for the 19 on-site and 35 off-site moderate income units.~~

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Chapter 4, “Alternatives,” on page 4-2, Table 4-1 is revised as follows:

Table 4-1 Major Comparative Elements of Alternatives A through E									
Alternative	Brief Description	Coverage (sf)	Number of Residential Units	Subdivision?	Housing Mitigation Required?	Anticipated Sediment Reduction (lbs/year)	SEZ Restoration	Pier Extension	Buoy Relocation?
A	Includes construction of <u>143 condominiums (15 of the units may be 124 market rate and 19 deed-restricted moderate-income for-sale units as part of mitigation; the remainder would be sold at the market rate)</u> condominiums and a beach and swim club.	358,907 <u>375,452</u>	143	Yes	Yes	10,487	2 acres	Extended to 159’ (includes “L” shaped floating section)	Yes
B	Includes development of two single-family estates on two realigned parcels. Each estate would include a large single-family residence, pool, detached garage, guest house, entry gate house, and tennis courts.	320,000	2	No (boundary line adjustment only)	No	11,037	None	Extended to 159’	Yes
C	Includes construction of two multi-family complexes on two realigned parcels. Each parcel would include four multi-family residential buildings with approximately 20 market rate for-sale condominiums per building. Each complex would include a recreation building, pool and deck.	380,000	~155	Yes	Yes	10,528	None	Extended to 159’ (includes “L” shaped floating section)	Yes

**Table 4-1
Major Comparative Elements of Alternatives A through E**

Alternative	Brief Description	Coverage (sf)	Number of Residential Units	Subdivision?	Housing Mitigation Required?	Anticipated Sediment Reduction (lbs/year)	SEZ Restoration	Pier Extension	Buoy Relocation?
D	The mobile home park would remain open with a gradual transition to 70% doublewide and 30% singlewide units. The 90 units owned by the park and seven vacant units would be replaced with new units. As other pads became vacant, the owner would replace the old mobile home units with new ones.	457,959	155	No	No	NA	None	None	No
E	The mobile home park would be closed and the existing units would be removed. Utility lines would be placed underground, BMPs would be installed, and 155 mobile home pads would be reestablished. High quality manufactured housing units would be sold as the market warrants with minimum 20-year lease terms.	457,959	155	No	No	NA	None	None	No

¹ NA = Not Available. The sediment reduction potential associated with Alternatives D and E related to the implementation of BMPs required by the TRPA BMP Retrofit Program has not been quantified, but is anticipated to be considerably less than that predicted for development Alternatives A through C.

Source: EDAW 2007

Chapter 4, “Alternatives,” on page 4-4, the first two sentences of the second paragraph are revised as follows:

Alternative A would result in approximately ~~358,907~~ 375,452 sf of coverage, as shown in Exhibit 3-12. This would be a reduction of approximately ~~99,052~~ 82,507 sf of site coverage in comparison to the TRPA verified coverage for the site.

Chapter 4, “Alternatives,” on page 4-15, the first sentence of the third paragraph is revised as follows:

The project applicant originally considered an alternative with very similar development potential as that of the proposed project (~~124 market rate for sale condominiums and 19 for sale deed-restricted moderate-income condominiums for a total of 143 condominiums~~residential units).

Section 5.2, “Housing and Population,” on page 5.2-7, Table 5.2-4 is revised as follows:

Table 5.2-4 Estimated Occupancy Cost for a Typical Unit in the Tahoe Shores Mobile Home Park	
\$315/month	Loan Payment (PI) – \$28,000, LTV 95%, 12% for 15 years. Terms based upon interviews with Nevada lenders.
\$50/month	Taxes and insurance – 20-year-old maximum for insurance State Farm Insurance and Douglas County Assessor Personal Property Tax.
\$225/month	Utility allowance – Section 8 Utility Allowance plus sewer and water for Tahoe Shores. NV.
\$725/month	Announced site rents in December 2003 (average)
\$1,315/month	Total Estimated Occupancy Cost for a Unit at Tahoe Shores

Section 5.2, “Housing and Population,” on page 5.2-12, Mitigation Measure 5.2.A-2 is revised as follows:

Mitigation Measure 5.2.A-2. Replacement of Moderate Income Housing. Mitigation shall be in the form of construction of an equal number of moderate income or more restrictive income level units, conversion of other structures to moderate income or more restrictive income level housing, restriction of subdivided units to moderate income or more restrictive income level housing units, or a combination of the above. The applicant shall provide 54 ~~moderate income-restricted~~ replacement units as follows:

- ~~21.~~ A total of ~~35~~39 off-site housing units shall be purchased and converted to deed-restricted ~~moderate~~ affordable income units. The units will be located in the Oliver Park subdivision (directly east of the project - Douglas County, Nevada). The composition of such units in terms of the number of bedrooms shall be consistent with household demographics of Tahoe Shores Mobile Home Park and the Douglas County portion of Lake Tahoe. The majority of households including those in the Tahoe Shores mobile home park are comprised of one to three person households. Preference will be given first to income qualified Tahoe Shores residents, and then to qualified Beach Club employees. The units will be rented at rates consistent with TRPA guidelines for ~~moderate~~ affordable income housing.
- ~~12.~~ A total of ~~19~~ 15 ~~deed-restricted moderate income condominiums~~ units shall be deed restricted constructed ~~either on- or off-site before the final phase of project construction. One of the following could occur related to the remaining 15 replacement housing units: on the project site.~~
 - ▶ The project applicant could construct 15 deed-restricted moderate-income for-sale condominium units on site as originally proposed; or

- The project applicant could acquire an additional 15 off-site market rate residential units in the south shore area of the Tahoe Basin that would become deed-restricted rental moderate-income units; or

If the first option is exercised, pPreference for on-site mitigation units will be given first to income-qualified Tahoe Shores residents and then to qualified Beach Club employees. Such units will consist of one, two, and three bedroom units. The units will be sold at prices consistent with TRPA guidelines for moderate income housing.

3. Provide additional financial assistance for qualified hardship cases in the mobile home park.

Implementation of Mitigation Measure 5.2.A-2 would provide one-to-one replacement for 54 units of ~~moderate income-restricted~~ housing and would reduce the impact of loss of moderate income housing units to a **less than significant** level.

Section 5.2, “Housing and Population,” on page 5.2-12, Impact 5.2.A-2 is revised as follows:

IMPACT 5.2.A-3 **Decrease in Housing Availability/Displacement of Residents.** *Alternative A would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile home spaces, 150 of which are currently occupied, and 128 of which had full-time residents as of February 2004. (Data obtained from the current site manager shows a substantial reduction in full-time residents. As of November 2007, 36 of the 58 owner occupied units were occupied as primary residences – 17 of the remaining units were either rented or vacant, and 5 units had seasonal occupants.) The Nevada Revised Statutes would be followed to account for the Park’s closure and the displacement of residents. Alternative A would then result in the construction of 143 condominiums, including 19 deed-restricted moderate-income units. (As part of Mitigation Measure 5.2.A-2, a total of 395 off-site housing units would be purchased and converted to deed-restricted affordable moderate-income units, and an additional A total of 19 15 deed-restricted moderate income condominiums units shall be constructed deed restricted either on or off site, for a total of 54 moderate income-restricted units.) The loss of up to 12 units would not be a substantial reduction in the total housing stock in Stateline or Douglas County because the actual number of occupied mobile homes at Tahoe Shores has ranged between 140 and 150 units. Furthermore, the reduction of as many as 12 units only represents 0.25% of the total housing stock in Douglas County (4,769 units).*

Section 5.2, “Housing and Population,” on page 5.2-17, Table 5.2-10 is revised as follows:

Table 5.2-10 Summary of Housing Mitigation Requirements			
Alternatives	Brief Housing Description	Subdivision?	Housing Mitigation
Alternative A	Includes construction of <u>143 condominiums (15 of the units may be 124 market rate and 19 deed-restricted moderate-income for-sale units as part of mitigation; the remainder would be sold at the market rate) condominiums.</u>	Yes	54 deed-restricted moderate-income <u>or more restrictive income level units</u>
Alternative B	Includes development of two single-family estates on two realigned parcels.	No (boundary line adjustment only)	None required
Alternative C	Includes construction of two multi-family complexes on two realigned parcels. Each parcel would include four multi-family residential buildings with approximately 20 market rate for-sale condominiums per building.	Yes	54 deed-restricted moderate-income units

Table 5.2-10 Summary of Housing Mitigation Requirements			
Alternatives	Brief Housing Description	Subdivision?	Housing Mitigation
Alternative D	The mobile home park would remain open with a gradual transition to 70% doublewide and 30% singlewide units. The 75 units owned by the park and seven vacant units would be replaced with new units. As other pads became vacant, the owner would replace the old mobile home units with new ones.	No	None required
Alternative E	The mobile home park would be closed and the existing units would be removed. Utility lines would be placed underground, BMPs would be installed, and 155 mobile home pads would be reestablished. High quality manufactured housing units would be sold as the market warrants with minimum 20-year lease terms.	No	None required

Section 5.3, “Land Use,” on page 5.3-10, the seventh row of Table 5.3-1 is revised as follows:

Alternative A would result in a total of approximately ~~358,907~~ 375,452 sf (8.2462 acres) of coverage, a total reduction in site coverage of approximately ~~99,052~~ 82,507 sf (2.27 1.89 acres) or ~~22.18~~% from the TRPA verified coverage (457,959 sf or (10.51 acres).

Section 5.3, “Land Use,” on page 5.3-11, the fifth sentence in the last row of Table 5.3-1 is revised as follows:

Alternative A, the proposed project, would include ~~the construction of 19 deed-restricted moderate income for sale condominiums on the project site, and 35 the purchase of 39 off-site residential units that would also become deed-restricted moderate income-affordable units, and an additional 15 deed-restricted moderate income units either on or off site.~~

Section 5.3, “Land Use,” on page 5.3-12, the fifth sentence in the sixth row of Table 5.3-1 is revised as follows:

Alternative A, the proposed project, and Alternative C would include 54 ~~income~~deed-restricted replacement moderate-income for sale condominiums units as follows: 1) ~~49-15~~ deed-restricted moderate income condominiums units would either on or off site be constructed on the project site; and 2) 395 off-site housing units in the Oliver Park subdivision (directly east of the project site) would be purchased and converted to deed-restricted moderate income-affordable units.

Section 5.3, “Land Use,” on page 5.3-22, the fourth sentence in the fifth row of Table 5.3-1 is revised as follows:

Alternatives A, B, and C would result in a reduction in the total site coverage to ~~358,907~~ 375,452 sf, 320,000 sf, and 380,000 sf, respectively. Therefore, all three development alternatives would be below the TRPA verified coverage for the site.

Section 5.3, “Land Use,” on page 5.3-28, Impact 5.3.A-1 is revised as follows:

IMPACT 5.3.A-1 Consistency with Regional Plan Land Use Goals and Policies. *Alternative A would result in 143 for-sale condominiums, construction of a beach and swim club, expansion of the existing pier, and relocation of three existing buoys. Alternative A would result in approximately ~~358,907~~ 375,452 sf of site coverage representing a reduction of approximately ~~99,052~~ 82,507 sf of site coverage in comparison to the TRPA verified coverage for the site. Alternative A would be consistent with the Goals and Policies of the Regional Plan as described in Table 5.3-1. This impact is considered less than significant.*

Section 5.3, “Land Use,” on page 5.3-29, the first sentence of the first full paragraph is revised as follows:

Alternative A would result in approximately ~~358,907~~ 375,452 sf of site coverage, as shown in Exhibit 3-12. This would be a reduction of approximately ~~99,052~~ 82,507 sf of site coverage in comparison to the TRPA verified coverage for the site.

Section 5.3, “Land Use,” on page 5.3-30, the first paragraph is revised as follows:

Before closure of Tahoe Shores, the owner would be required to follow the obligations of the NRS 118B.177, including reimbursement for relocation or purchase and removal of mobile homes and residents. The project site would then be redeveloped with 143 single-family condominiums and a beach and swim club. The residential units may ~~would~~ include 15 units deed-restricted as moderate-income for-sale housing as part of mitigation; the remainder would be ~~124~~ market-rate for-sale condominiums ~~and 19 deed-restricted moderate-income for sale condominiums~~. In addition, the project applicant would ~~be required to acquire 35-39~~ off-site residential units to be deed-restricted as ~~moderate-income~~ affordable units. Therefore, although the project site would remain in residential use, the community would change from a mobile home park to condominiums.

Section 5.4, “Geology and Soils,” on page 5.4-5, the last paragraph on the page that extends onto page 5.4-6 is revised as follows:

The upland meadow soils on the project site typically had 12 to 18 inches of a humic A horizon over a gleyed C horizon of very coarse sand. Some areas, that appear to be old buried stream channels, have a silty clay C horizon. Some redoximorphic features were observed on the site at various depths. Redoximorphic features are color patterns in the soil formed by the oxidation and reduction of iron and/or manganese caused by saturated conditions within the soil. Because of the extensive modification of soils on the site, and because of the current and possibly historic water-line leak, the redoximorphic indicators of aquic conditions that were observed may not be reliable indicators of past or current conditions. Some of the redoximorphic features observed may be relic, (i.e., developed before the site was graded) when the water table ~~soil~~ was in a different position relative to the soil horizons ~~water table~~. Other redoximorphic features could be recent; the consequence of water-line leaks. A number of iron masses were also encountered ranging in depth from 14 to 55 inches (R. J. Poff & Associates 2003). Further study of the shallow water table during the early part of the growing season would be necessary to determine if the redoximorphic features are active or relict. Until such study is done, those soils having redoximorphic features in the upper 20 inches would be considered to meet the soil requirements for an SEZ.

Section 5.4, “Geology and Soils,” on page 5.4-7, Impact 5.4.A-1 is revised as follows:

IMPACT **Land Coverage.** *Alternative A would result in a total of approximately ~~358,907~~ 375,452 sf (8.~~2462~~ 1.89 acres) of coverage, a reduction in site coverage of approximately ~~99,052~~ 82,507 sf (2.~~27~~ 1.89 acres) or ~~22~~ 18% from the TRPA-verified coverage (457,959 sf or 10.51 acres); the majority of the coverage reduction would be within ~~primary~~ SEZ (LCD 1b) areas. Alternative A would also result in the relocation of some existing coverage and the restoration of approximately 2 acres of SEZ habitat. On the whole, the coverage reduction, the relocation of coverage, and the proposed restoration associated with Alternative A would provide a net environmental benefit. For this reason this would be a **beneficial impact**.*

5.4.A-1

Section 5.4, “Geology and Soils,” on page 5.4-7, the last two sentences of the last paragraph are revised as follows:

Alternative A would reduce coverage in LCD 7 to approximately ~~68,359~~ 71,218 sf (1.~~5763~~ 1.89 acres). Although this is approximately ~~23,462~~ 26,321 sf (0.5460 acre) over that which would be allowed on an undeveloped site, the coverage proposed under Alternative A would be a reduction of approximately ~~40,1257,266~~ 40,1257,266 sf (0.~~2317~~ 1.89 acre) in LCD 7 compared to existing conditions.

Section 5.4, “Geology and Soils,” on page 5.4-8, the last three sentences of the first paragraph are revised as follows:

Alternative A would reduce the coverage in LCD 1b to approximately ~~290,548~~ 304,234 sf (6.~~6798~~ acres). Although this is approximately ~~283,495~~ 297,181 sf (6.~~5482~~ acres) over that which would be allowed on an undeveloped site, the coverage proposed under Alternative A would be a reduction of approximately ~~91,089~~ 77,403 sf (~~2.09~~ 1.78 acres) compared to existing conditions.

Section 5.4, “Geology and Soils,” on page 5.4-8, the third sentence of the second paragraph is revised as follows:

The mitigation fee shall be based on the area of excess coverage, approximately ~~306,957~~ 323,502 sf (7.~~0543~~ acres) for the entire project site under Alternative A, in accordance with subparagraph 20.5.A(3)(a) of the TRPA Code of Ordinances.

Section 5.4, “Geology and Soils,” on page 5.4-8, the first two bullets in the middle of the page are revised as follows:

- ▶ 16% reduction within ~~Primary~~ SEZ areas (LCD 1b) identified using primary (key) indicators
- ▶ 4% reduction within ~~Secondary~~ SEZ areas (LCD 1b) identified using secondary indicators

Section 5.4, “Geology and Soils,” on page 5.4-8, the last paragraph on the page is revised as follows:

About 48% of the ~~Primary~~ SEZ (LCD 1b) coverage reduction in areas identified using primary indicators would be from a sensitive area directly adjacent to Burke Creek Meadow, an area that currently consists of mobile home units and paved areas with a cut-off drainage ditch that intercepts high flows. This area would be restored to a natural SEZ condition to enhance the functionality of the floodplain and reestablish the historical habitat. The restoration area consists of the removal of the cut-off ditch and the non-native fill material, along with replacement of soils and vegetation that is consistent with the adjacent Burke Creek Meadow. The restoration would aid in the functioning of the SEZ within the project area and enhance the quality of the habitats within the adjacent (off-site) meadow. About 13% of the ~~Primary~~ SEZ (LCD 1b) reduction in areas identified using primary indicators would be relocated to a less sensitive and previously disturbed area near the KGID water supply pump station and water treatment facility, and the remainder would be banked. As discussed in Section 5.9, “Biological Resources,” and in Impact 5.9.A-2, the area where this relocation would occur includes low quality disturbed grassland and big sagebrush scrub habitat. This disturbed vegetation is not of high value to wildlife or ecosystem function in the project area and its removal or disturbance would not be considered a significant impact. The relocation of coverage to this area would not negatively affect the quality of the remaining degraded habitat in this area. On the whole, the proposed coverage reduction associated with the project, the relocated coverage and restoration would provide a net environmental benefit. For this reason, this would be a **beneficial** impact.

Section 5.4, “Geology and Soils,” on page 5.4-18, Table 5.4-4 is revised as follows:

Table 5.4-4 Summary of Land Coverage Impacts for all Alternatives							
Alternatives	Acres of Coverage Proposed	Allowable Acres of Coverage*	Proposed % Site Coverage	Allowable % Site Coverage	Acres of Coverage in Excess of LCDs	LCD Coverage Mitigation	Impact to Land Coverage
Alternative A	8.2462	10.51	42.0 <u>43.9%</u>	53.5%	7.0543 acres	excess coverage mitigation fee	Beneficial
Alternative B	7.12	10.51	36.3%	53.5%	5.92 acres	excess coverage mitigation fee	Beneficial
Alternative C	8.72	10.51	44.4%	53.5%	7.54 acres	excess coverage mitigation fee	Beneficial

<p align="center">Table 5.4-4 Summary of Land Coverage Impacts for all Alternatives</p>							
Alternatives	Acres of Coverage Proposed	Allowable Acres of Coverage*	Proposed % Site Coverage	Allowable % Site Coverage	Acres of Coverage in Excess of LCDs	LCD Coverage Mitigation	Impact to Land Coverage
Alternative D	10.51	10.51	53.5%	53.5%	9.32 acres		Less than Significant
Alternative E	10.51	10.51	53.5%	53.5%	9.32 acres		Less than Significant
<p>*Because the project site is developed, the total allowable acres of coverage is based on the TRPA-verified land coverage of 457,959 sf (10.51 acres) (April 3, 2004).</p>							

Section 5.5, “Hydrology and Water Quality,” on page 5.5-16, Impact 5.5.A-2 is revised as follows:

IMPACT 5.5.A-2 *Impervious Surface Area and Runoff. Development of Alternative A would result in approximately ~~358,907~~ 375,452 sf of coverage, a reduction of approximately ~~99,052~~ 82,507 sf from the existing TRPA verified coverage (457,959 sf) on the project site. Alternative A would alter the course and volume of runoff from the project site during storm events, but the runoff volume would be reduced through the decrease in coverage and the design and implementation of BMPs and drainage facilities that meet or exceed TRPA requirements. This impact is considered **beneficial**.*

Section 5.5, “Hydrology and Water Quality,” on page 5.5-16, the fourth sentence of the second full paragraph is revised as follows:

Alternative A would result in a total of approximately ~~358,907~~ 375,452 sf of coverage, a reduction of approximately ~~99,052~~ 82,507 sf from the existing TRPA verified coverage (457,959 sf).

Section 5.5, “Hydrology and Water Quality,” on page 5.5-28, the first two sentences of the second full paragraph are revised as follows:

Under Alternative A, there would be a reduction in impervious site coverage of approximately ~~99,052~~ 82,507 sf. Although there would be a reduction of impervious surface compared with the current site conditions, implementation of Alternative A would result in residential buildings, a beach and swim club, a paved road, surface parking, and associated facilities, which would result in ~~358,907~~ 375,452 sf of impervious surfaces on the project site.

Section 5.9, “Biological Resources,” on page 5.9-32, the fourth bullet of Mitigation Measure 5.9.A-5 is revised as follows:

- Equipment shall be cleaned at designated wash stations after leaving invasive/noxious weed infestation areas. If deemed necessary, wash stations shall be identified by the resource specialists before construction activities begin in a particular segment and shall be approved by the agencies. All equipment coming onto the project area ~~from weed-infested areas or areas of unknown weed status~~ shall be cleaned of all attached soil or plant parts.

Section 5.12, “Water Recreation and Shorezone,” on page 5.12-5, the last paragraph is revised as follows:

The three existing buoys would be retained for boat mooring and would be relocated parallel to and north of the reconstructed pier (Exhibit 3-10). This relocation would remove the buoys from the scenic recreational viewshed from Nevada Beach. Motorized boat access would be provided between the pier and the relocated buoys, as is the

case today. Expansion of the pier (limited to 50 feet) is not expected to cause an increase in boating access to the project site, and no additional mooring buoys, boat launching facilities, permanent or overnight moorings, or marina facilities would be constructed. Because no additional boating facilities would be added, it is expected that motorized boat activity levels in the project area would remain approximately the same. Because the proposed pier extension is limited to 50 feet, motorized boating activity levels would remain about the same as today, and the proximity of the existing Nevada State 4-H Camp pier approximately 300 feet to the south, it is expected that the proposed pier expansion would not significantly alter kayak and non-motorized boating activities or routes. As such, ~~t~~The proposed project would have a **less-than-significant** impact on boating activity levels. For a discussion of water quality impacts related to boat usage, see Section 5.5, “Hydrology and Water Quality.”

Section 5.13, “Human Health and Risk of Upset,” on page 5.13-5, the text is revised as follows:

KGID FACILITIES

KGID, as a water purveyor, has the responsibility of providing safe and reliable drinking water supply to its approximately 2,500 customers, the majority of which are residential (including occupants within the project site). The system experiences a seasonal variability based on residential occupancy. KGID staff estimate that the peak population served exceeds 9,000 residents along with an estimated 100 local businesses, including an emergency medical treatment facility and community fire station. The maximum daily demand (usually in mid-August) is approximately 3.0 million gallons per day (mgd). The minimum daily demand for the system typically occurs in December or January when approximately 950,000 gallons per day are treated.

Water supplied by KGID presently comes entirely from Lake Tahoe. The supply system includes the gravity-fed Lake Tahoe intake pipeline, the Lake Pump Station, and the Ozone Disinfection Facility for treating the surface water, the chlorination system for residual disinfection, and pumps to lift the finished water to storage tanks. The system uses the pressure head from lake level to move the water through the ozone disinfection process into the high head pump wet wells. The water is then pumped to water storage tanks using four pumps. When operating at maximum daily demand (3.0 mgd), the pump station operates a 300-horsepower (hp) pump approximately 23 hours per day, and a 200-hp pump approximately 2 hours per day. In addition, KGID has an above-ground fuel storage tank and two transformers that are also located on the project site.

The KGID pump station and water treatment facility are bordered by an open grassy field and parking lot accessed by KGID personnel during operation and maintenance activities (see Exhibit 3-3). The area surrounding the pump house (i.e., within 100 feet) does not include any structures. The closest residence is approximately 104 feet east of the pump house. KGID’s electrical control panels and utility boxes are located midway between this residence and the pump house. The areas surrounding the pump house support multiple sub-surface waterline and other utilities.

Service trucks visit the pump station and water treatment facility a minimum of once daily and often multiple times in one day. In addition, a tractor trailer delivers chemicals to the site once per quarter and fuel trucks visit the station two or three times per year. Depending on maintenance needs and requirements throughout the year, a crane is occasionally needed to remove pumps at the station, and trailers access the site to recoat clearwells. During major maintenance operations (e.g., pump replacement), multiple service trucks may be present, along with a crane, a flatbed truck and multiple personnel.

In the event of a power outage, KGID owns and operates an on-site emergency generator. The generator is subject to routine testing once per week for a period of 5–10 minutes during normal daytime operating hours. During outages, the emergency generator may be operated for periods of up to 2 days.

Lake Pump Station and Water Treatment Facility

Section 5.13, “Human Health and Risk of Upset,” on page 5.13-5, the fourth sentence of the third paragraph is revised as follows:

The Lake Pump Station, Ozone Disinfection Facility and associated ozone contact chambers and pipelines are located on a KGID non-exclusive easement (on land owned by the project applicant) at the west end of the project site (Exhibits 3-3 and 3-3A).

Section 5.13, “Human Health and Risk of Upset,” on page 5.13-6, the text is revised as follows:

Ozone

In addition to the chemicals listed above, the Ozone Disinfection Facility uses ozone to disinfect the water. This process constitutes the single barrier of protection for KGID drinking water customers. The treatment process consists of three 7,350-gallon ozone contact chambers, one 6,000-gallon ozone quench chamber, and two 50 lb/day ozone generators. The system also has air preparation equipment, quenching equipment, and ozone destruction equipment housed in the water treatment facility building.

Section 5.13, “Human Health and Risk of Upset,” on page 5.13-10, the last sentence of the fourth paragraph is revised as follows:

A pedestrian path would also be provided that directs residents and visitors away from KGID facilities (Exhibits 3-4, 3-4A and 3-4B) as compared to the existing path that directs resident and visitors directly to the KGID facilities.

Section 5.14, “Cumulative Impacts,” on page 5.14-5, Impact 5.14-2 and the first paragraph of the discussion that follows are revised as follows:

IMPACT 5.14-2 **Cumulative — Loss of Moderate Income Housing.** *The analysis in Section 5.2, “Population and Housing,” determined that none of the mobile homes at the Tahoe Shores Mobile Home Park qualify as affordable housing. However, the analysis did determine that 54 mobile home units qualify as moderate-income housing. Implementation of Alternatives A, B, C and E would result in the closure of the Tahoe Shores Mobile Home Park and the loss of the 54 moderate-income housing units. Only Alternatives A and C, which would result in subdivision of the property, would be required to mitigate for the loss of those 54 moderate-income units, by providing 54 deed-restricted moderate-income units, or units meeting more restrictive income levels, on- or off-site. Under Alternatives B, D and E, no mitigation for the loss of moderate-income units would be provided. In relation to the demand for affordable and moderate income housing in the region, the potential loss of moderate-income housing due to the project under Alternatives B, D and E would **contribute to the cumulative loss** of the already relatively small pool of moderate-income housing available in the region as well as increase the demand for moderate-income housing.*

Based on the analysis in Section 5.2, “Population and Housing,” none of the mobile homes at the Tahoe Shores Mobile Home Park qualify as affordable housing. However, there are 54 mobile home units at the Tahoe Shores Mobile Home Park that qualify as moderate income units. Except for Alternative D, all Beach Club project alternatives would result in the closure of the Tahoe Shores Mobile Home Park and the removal of 155 mobile homes, including the 54 moderate income housing units. TRPA regulations regarding moderate-income housing apply only when property is subdivided. Therefore, mitigation for the loss of the documented moderate-income units would be required under Alternatives A and C, which involve subdivision of the project site. Both Alternatives A and C would provide 54 ~~incomedeed-restricted replacement moderate-income~~ income and 15 moderate income units, through construction of on-site units and/or purchasing and deed-restricting off-site units, as described in Mitigation Measure 5.2.A-2 in Section 5.2, “Housing and Population.”

The 39 affordable income housing units deed restricted at Aspen Grove would be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. Similarly, sSince Douglas County maintains a TRPA-certified Local Government Moderate Income Housing Program, these 15 moderate income housing units would also be eligible for multi-residential bonus units pursuant to Chapter 35 of the TRPA Code of Ordinances. ~~Accordingly, 54 multi-residential bonus units would be sought from TRPA for the 19 on-site and 35 off-site moderate income units.~~ Under Alternatives B, D and E, the property would not be subdivided and there would be no mitigation for the loss of 54 moderate income units. Therefore, if Alternative B, D or E is implemented, the project could contribute to the cumulative loss of 54 moderate income housing units. Five of the seven related projects listed in Table 5.14-1 propose the construction of market-rate and affordable residential units and/or condominium units.

5 REFERENCES

AMEC Infrastructure, Inc. 2005 (April 12). *Kingsbury General Improvement District Lake Pump Station and Ozone Disinfection Facility Beach Club Study—Summary Report*.

Carter Burgess. 2003 (February). *Preliminary Technical Drainage for Tahoe Beach Club, Douglas County, Nevada*. Prepared for Tahoe Beach Club, LLC.

CH2M Hill. Reno, NV. 2007 (May). *Safety of Ozone and Water Treatment Plants Memorandum*. Prepared for Beach Club, Inc.

Kingsbury General Improvement District and Tahoe Shores, Ltd. Stateline, NV. 1997 (December 24). *Agreement Granting New Easement and Extinguishing Existing Easement*.

APPENDIX A

Tahoe Shores 1997 Easement

MAR 13 1998

RECEIVED

**AGREEMENT GRANTING NEW EASEMENT AND
EXTINGUISHING EXISTING EASEMENT**

11-5-98
PGB 2000
Stefelino NV
89449

This Agreement by and between the KINGSBURY GENERAL IMPROVEMENT DISTRICT, a general improvement district, created pursuant to Chapter 318 of the Nevada Revised Statutes (hereinafter referred to as "KGID"), and TAHOE SHORES, LTD., a California Limited Partnership (hereinafter referred to as "Tahoe Shores"), is entered into this 24th day of December, 1997 (hereinafter this "Agreement"). KGID and Tahoe Shores are sometimes collectively referred to herein as the "Parties."

Recitals

A. Tahoe Shores is the owner of that certain real property commonly known as Tahoe Shores Mobile Home Park which is more particularly described in Exhibit A, attached hereto and incorporated by this reference, (and shall be hereinafter referred to as the "Property").

B. On or about February 1, 1966, Tahoe Village Properties, Inc., a Nevada corporation, doing business as Tahoe Village Water Co., a predecessor owner of the Property, granted and conveyed to Kingsbury Water Corp., a Nevada corporation, KGID's predecessor in interest, rights of way and easements for the maintenance of water lines, a water pumping facility and a well located on the Property. The grant of easement was recorded on March 25, 1966, in Book 39, Page 11, Document No. 31477, Official Records of Douglas County, Nevada. (This easement shall hereinafter be referred to as the "1966 Easement.")

C. On or about August 14, 1986, KGID on the one hand and Elizabeth Kahle, and Eugene Jaffe and Elsie Jaffe, as co-trustees of Trust "A", constituted under the Last Will and Testament of Ben Jaffe, Deceased, on the other hand (hereinafter collectively, "Kahle/Jaffe") entered into an agreement to amend and redefine the location of the Easement. That agreement was recorded on August 14, 1986 in Book 886, Page 1494, Document No 139093 in the Official Records of Douglas County, Nevada. (That agreement shall be referred to as the "1986 Amendment".)

D. On or around April 12, 1989, the Parties entered into an agreement which in part contemplated the relocation of the 1966 Easement, as previously amended by the 1986 Amendment. (That Agreement shall be hereinafter referred to as the "Unrecorded 1989 Agreement.")

E. Pursuant to the terms of the Unrecorded 1989 Agreement, the operation of a water pumping facility was relocated within the Property and most of the operations within the 1966 Easement as amended, ceased. However, the Parties had not recorded an abandonment of the 1966 Easement in the Official Records of Douglas County, Nevada.

Further, Tahoe Shores believes that KGID has not undertaken all actions necessary to properly abandon the 1966 Easement, to wit KGID has not removed or relocated the telephone and power pedestals. Also, pursuant to the terms of the Unrecorded 1989 Agreement, KGID abandoned in place certain water lines located within the Property which were at least three feet below the surface and located within the 1966 Easement, as amended.

F. Although KGID relocated the water pumping facility and water lines within the Property as contemplated by the Unrecorded 1989 Agreement, no easement has been recorded respecting the location of such operations or the rights and obligations of the Parties.

G. The Parties agree that the landscaping around the improvements placed by KGID following the relocation of the water pumping facility and water lines and the addition of the ozone disinfection facility as described below is insufficient.

H. On or around 1994 the Parties began negotiating an Addendum to the Unrecorded 1989 Agreement (the "1994 Addendum"). The 1994 Addendum contemplated that an ozone disinfection facility would be added to the water pumping facility. The 1994 Addendum was not executed, but an ozone disinfection facility was located by KGID on the Property.

I. KGID now desires to add underground electrical conduit on the Property.

J. The Parties desire to clarify KGID's rights and responsibilities related to the Property.

K. The Parties desire and intend that this Agreement shall entirely restate all rights and obligations of the Parties and benefits and burdens to the Property, and that the 1966 Easement, the 1986 Amendment, the Unrecorded 1989 Agreement and the 1994 Addendum are terminated in their entirety, and any and all rights and obligations and benefits and burdens created by or set forth in those agreements be terminated.

Now, therefore, in consideration of the forgoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Extinguishment of Prior Easement

A. KGID does hereby forever extinguish, quit claim and surrender unto Tahoe Shores, its successors and assigns, the easements, rights of way and other rights which burdened the Property as described in the 1966 Easement and the 1986 Amendment (this shall hereinafter be referred to as the "Abandoned Easement").

B. It is further agreed that KGID will as soon as practicable, but in no event later than June 30, 1998, remove the telephone and power pedestals found within the Abandoned Easement. KGID shall obtain any necessary consents or permits for such activity. Tahoe Shores hereby grants KGID limited rights of access which rights terminate on the earlier of such removal or June 30, 1998, through the roadways within the Property and onto the Abandoned Easement for that purpose. KGID agrees to provide Tahoe Shores with at least one business days notice before beginning such work. Other than those water lines which are within the 1997 Easement, as described below, KGID is abandoning all lines, pipes and equipment, if any, remaining in the Abandoned Easement. Tahoe Shores may, but is not obligated to, remove any line, pipe or equipment left by KGID in the Abandoned Easement, and Tahoe Shores shall have no liability whatsoever to KGID with respect to such abandoned property. Further in the event the abandoned lines and pipes must be removed from the Property by government order, or pursuant to a law or regulation, or in the event environmental contamination caused by the lines must be removed, KGID will be solely responsible for the cost of such removal and/or remediation. In that event Tahoe Shores will grant KGID reasonable access through the Property to undertake such removal. Such access and work as described herein shall be without damage or disruption to homes in the Property.

2. Grant of Easement

A. Tahoe Shores hereby grants a non-exclusive easement to KGID, its successors and assigns, to locate, construct, operate, reconstruct, repair and maintain an existing water pumping facility and ozone disinfection facility, an underground electrical conduit all upon the portion of the Property more particularly described in Exhibit B, attached hereto and incorporated by this reference (hereinafter referred to as the "1997 Easement.") The water pumping facility, ozone disinfection facility, underground electrical conduit and related appurtenances all as described herein shall hereinafter be referred to collectively as the "Improvements." The 1997 Easement is shown and drawn on Exhibit C, attached hereto and incorporated by this reference.

B. Tahoe Shores further grants KGID, its agents and employees ingress and egress to and from said Improvements over and across the roadways within the Property, as they exist from time to time, reserving unto Tahoe Shores the rights to relocate and change the roadways as long as KGID's rights of ingress and egress to its facilities are maintained across the relocated roadways.

C. KGID will install two underground electrical conduits which are one inch in diameter and one underground electrical conduit which is one and one half inches in diameter, all in the same trench, from the water pumping facility east approximately 50 feet, then south approximately 12 feet to the southerly property line, a total distance of approximately 62 feet.

D. Prior to commencement of the electrical conduit installation, KGID will meet with representatives of Tahoe Shores to discuss the scope and timing of the work. All work will be done between the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday (non-holidays). Once KGID begins this construction it agrees to diligently pursue its completion, which must be substantially completed within four weeks from its inception.

Tahoe Shores acknowledges that KGID may not be able to complete the construction until the spring of 1998. KGID agrees that no construction equipment or related material will be left at the Property from the time the initial construction is completed and the spring of 1998. In all events the construction must be completed by October 15, 1998.

All construction activity contemplated hereunder, shall meet with approval of Tahoe Shores from a safety and aesthetic standpoint and shall be subject to the general inspection by Tahoe Shores.

E. Following completion of the underground electrical conduit installation described herein, KGID agrees to provide Tahoe Shores with as-built drawings showing the location of all underground lines and structures placed within the portion of the Property described on Exhibit B.

F. KGID hereby agrees to maintain the Improvements and all related structures, lines and pipes in accordance with applicable laws and regulations and in a safe, neat and orderly fashion and appearance, and to avoid slippage, settling or sinking. Further, should KGID be required to disturb any portion of the Property within the 1997 Easement, KGID shall promptly restore and reconstitute said area to its previous condition, including but not limited to restoring subsurface areas to prevent slippage, sinking and settling and to maintain support of adjacent areas.

KGID further agrees to observe and comply with, at its own expense, all present, amended and future laws, building codes, ordinances, rules and regulations of the United States of America, the State of Nevada, bi-State agencies and the County of Douglas. KGID further agrees and warrants that all work it is undertaking will be properly permitted by all agencies which have jurisdiction over this subject matter and the construction will comply with all applicable zoning ordinances and regulations. KGID agrees to provide Tahoe Shores with copies of all permits obtained and final approvals upon the completion of the construction from all agencies with jurisdiction.

G. KGID acknowledges that it is being granted a non-exclusive easement and other parties may also have been granted rights over all or part of the 1997 Easement and that Tahoe Shores reserves the right to grant additional easements which may burden the 1997 Easement (so long as such additional rights do not interfere with KGID's rights hereunder).

H. KGID agrees to keep the 1997 Easement properly landscaped. KGID acknowledges that its current landscaping of the Improvements is inadequate. KGID agrees that in an attempt to remedy the inadequate landscaping, additional landscaping will be added by November 15, 1997. The cost of the materials (plants and trees) used to remedy the inadequate landscaping will not exceed \$2,000. Labor to install the additional plants and trees will be in addition to the \$2,000 and shall also be KGID's responsibility. The type and location of the additional landscaping will be mutually agreed upon by the Parties. Following installation of this additional landscaping, if Tahoe Shores deems the additional landscaping is sufficient, it will provide KGID with written approval of the landscaping. This action (including the approval by Tahoe Shores) does not relieve KGID from its obligation to maintain proper landscaping within the 1997 Easement.

Further, KGID agrees to return the Property to the condition it was in prior to undertaking the construction described herein, which will include replacing any landscaping which is damaged or destroyed and repairing any damage caused by the construction, ingress, egress or related activities.

Notwithstanding the terms of this Provision, in the event Tahoe Shores grants additional easements to other parties which are located in whole or in part within the 1997 Easement, Tahoe Shores agrees that KGID shall not be responsible for repairing or replacing any landscaping which is damaged by such additional parties actions.

I. Unless it is an emergency, prior to undertaking any repair or reconstruction of any Improvement located within the 1997 Easement, KGID will provide the manager of the Property with at least one business day's notice of such intended activity. Notwithstanding the terms of this provision, KGID will not be required to provide such notice for routine inspections of the water pumping facility or for minor repairs that take place within that facility. The notice will include a description of the work to be undertaken. KGID further agrees that for any work beyond routine maintenance and repair, it will provide Tahoe Shores with detailed plans of the proposed work.

KGID agrees that unless it is an emergency, all activity authorized and contemplated by the 1997 Easement shall take place on Monday - Friday between the hours of 7:00 a.m. and 6:00 p.m. Further, such work may take place on weekends and holidays between the hours of 8:00 a.m. and 6:00 p.m. Weekend and holiday work will be limited to that necessary for the safe and effective operation of KGID's facilities.

Construction work which could be heard by residents of the Property will take place only on weekdays between the hours of 8:00 a.m. and 6:00 p.m. except in an emergency and no construction vehicles shall enter the Property prior to 8:00 a.m. KGID agrees to make every reasonable effort not to impact the residents' quiet

enjoyment of the Property. Notwithstanding the terms of this provision, KGID may have access for other than routine maintenance and repair until 10:00 p.m., when it is necessary to accommodate contractor's schedules so long as such activity after 6:00 p.m. can not be heard by the residents of the Property. In all events KGID agrees to abide by the posted speed limits within the Property.

KGID acknowledges that KGID's access to the Property as described above is sufficient to meet its current needs and obligations. If there are changes in governmental laws or regulations which affect KGID's operations within the 1997 Easement or changes in technology which KGID reasonably believes requires it to have additional access to the Property, the Parties agree to negotiate in good faith to address KGID's request for access beyond the times described. Any such additional access shall not interfere with the quiet enjoyment of the residents of Tahoe Shores.

J. Other than to reconstruct or repair existing water lines as further described below, KGID is not permitted to add on, modify, increase or relocate the Improvements without the prior written consent of Tahoe Shores, which may be withheld in its sole and absolute discretion. Notwithstanding this provision, KGID may add water lines, as required to repair or reconstruct existing water lines upon receiving the prior written consent of Tahoe Shores, which will not be unreasonably withheld. Tahoe Shores may withhold consent for additional water lines which enhance the capacity of the water system, if in Tahoe Shores' reasonable judgment, such enhancement will lead to more activity at the Property by KGID, or the enhancement poses a threat to the stability of the Property or unduly burdens the Property due to the size and/or number of lines. The water lines being replaced must become inoperative and no longer used by KGID as soon as practicable following the completion of replacement lines. These replaced lines will be abandoned in place unless otherwise agreed by the Parties. In the event KGID adds water lines within the 1997 Easement as described above, KGID will as soon as practicable following completion of such work, provide Tahoe Shores with an as-built drawing indicating the location of all active water lines.

By giving KGID permission to place electrical lines at the Property, as described in this Agreement, Tahoe Shores is not agreeing to or indicating that it will grant permission for additional improvements or structures to be placed on the Property in the future.

K. KGID agrees that Tahoe Shores may relocate or replace any or all of the Improvements, to another portion of the Property or an adjoining property, so long as the relocation or replacement is at Tahoe Shores' sole cost and expense and the relocation provides KGID with similar quality of operations as does its current location of the Improvements.

3. Land Coverage

A. The Property is governed by the bi-state Tahoe Regional Planning Compact administered by the Tahoe Regional Planning Agency ("TRPA"). KGID agrees that it is responsible for the payment of any and all TRPA mandated mitigation costs related to the land coverage, arising out of KGID's operations within the Property. KGID will timely pay any such mitigation costs associated with KGID's use of the Property and provide Tahoe Shores with evidence thereof.

B. KGID agrees to cooperate with and enter into any agreements negotiated or obtained by Tahoe Shores, by and between KGID, TRPA, or its successor, and Tahoe Shores, which clarify that the land coverage caused by KGID's operations at the Property, will not be counted within the Property's land coverage. Notwithstanding the terms of this provision, KGID will not be obligated to enter into any agreements as described herein which expand KGID's liability beyond being responsible for the costs of mitigation caused by KGID's operations at the Property.

4. General Provisions

A. Integration

This Agreement is the complete agreement between the Parties, regarding the subject matter hereof. All prior agreements, whether oral or written, including without limitation, the 1966 Easement, the 1986 Amendment, the Unrecorded 1989 Agreement, and the 1994 Addendum are hereby terminated and of no further force or effect, and any and rights which may have been granted by such documents are hereby terminated and superseded by this Agreement.

B. Amendments

This Agreement may only be amended in a writing properly executed and recorded by the Parties.

C. Termination

(i) The burdens, benefits, rights and obligations granted by the 1997 Easement run with the Property, including any adjoining or adjacent property acquired by Tahoe Shores after the execution of the 1997 Easement and shall bind on and inure to the benefit of the Parties, their successors and assigns.

(ii) Notwithstanding the provisions of Section 4C(i) herein, in the event KGID ceases or abandons its operations within the 1997 Easement, which shall be conclusively shown if it ceases such operations for a period of one hundred thirty-five (135) consecutive days, the 1997 Easement shall terminate. In that event, KGID will be

responsible for immediately removing all Improvements from the Property other than those underground lines and wells which according to applicable laws and regulations, common practice and industry standards at that time, are abandoned in place. KGID will not be considered to have ceased or abandoned its operations if, in the event of a pump station failure, it is working diligently to restore pump station operations and such operations are restored within two years from the time of such failure. In all events, KGID will be required to properly abandon all Improvements. KGID will also be responsible for restoring the Property to the condition it was in prior to the placement of such Improvements. However, such termination of the 1997 Easement shall not terminate KGID's indemnification obligations found herein which shall survive termination of the 1997 Easement.

D. Insurance

(i) Notwithstanding any provision herein, KGID agrees that during the term of the 1997 Easement, it shall maintain commercial general liability and automobile insurance, with liability limitations of not less than Two Million Dollars (\$2,000,000) and will name Tahoe Shores and Terra Vista Management, Inc. (hereinafter "Terra Vista") and their respective successors and assigns as additional insureds under such policies. KGID will deliver certificates of insurance to Tahoe Shores and Terra Vista within thirty days from the 1997 Easement becoming effective and upon the annual renewal of such policies thereafter. Any statutory limitations on KGID's liability shall not limit Tahoe Shores' or Terra Vista's rights as additional insureds under such insurance policies. KGID agrees, notwithstanding any provision of this Agreement to the contrary, not to take any action that would interfere with Tahoe Shores' or Terra Vista's rights as additional insureds or claims that either or both of them make under such policies.

In addition to the insurance obligations described above, KGID shall also maintain throughout the term of the 1997 Easement, worker's compensation insurance in an amount as is reasonable and customary in the industry and locale.

In the event any insurance as described in this Section lapses, is not maintained at the minimum liability limits or no longer names either Tahoe Shores or Terra Vista or their respective successors and assigns as additional insureds, the 1997 Easement at Tahoe Shores' option may be terminated. In that event KGID will be required to remove all Improvements from the Property, other than those which are entirely subsurface and pursuant to industry practice at the time, are abandoned in place.

(ii) KGID agrees further that any contractors who work within the Property on KGID's behalf under any contract bid out by KGID or which is for work which in the aggregate costs at least Twenty Thousand Dollars (\$20,000) shall have commercial general liability and automobile insurance with liability limits of not less than One Million Dollars (\$1,000,000) and will name Tahoe Shores and Terra Vista as

additional insureds under such policies. Such contractors will also have worker compensation insurance in an amount and with a carrier as is customary in the industry and locale. KGID also agrees that for work which is not under any contract bid out by KGID or which costs at least Twenty Thousand Dollars, when practical it will provide Tahoe Shores and Terra Vista with certificates of insurance from such contractors naming Tahoe Shores and Terra Vista as additional insureds.

E. Indemnification

KGID agrees that, to the fullest extent permissible under the law, it shall indemnify, defend and hold harmless Tahoe Shores, its successors, assigns, affiliates, managers, agents, partners, lenders and employees from any suit, action, claim, demand, lien, loss, damage, fine judgment or decree and any expenses connected therewith, including reasonable attorney's fees, including but not limited to claims relating to environmental contamination, which is the result of KGID's prior use of the Abandoned Easement, arising out of or relating to the abandoned lines and pipes which remain in the Abandoned Easement or which is the result of KGID's use of the Property pursuant the 1997 Easement, including but not limited to the violation of any statute, ordinance, building code or regulation by KGID or third parties on its behalf. Nothing herein shall be construed to preclude KGID from defending itself under NRS 41.033 or under any other statutory immunities or liability limitations resulting from KGID's status as a general improvement district created under Chapter 318 of the Nevada Revised Statutes.

F. Costs

KGID agrees to pay for Tahoe Shores costs associated with the granting of the 1997 Easement and extinguishment of the 1966 Easement. That shall include legal fees and costs, survey fees and the cost associated with Tahoe Shores' lender and its counsel reviewing and approving this Agreement. KGID's obligation shall not exceed the sum of \$7,500.

(ii) In the event of any controversy, claim or dispute relating to this Agreement or breach of it, the prevailing party will in addition to any other relief granted, be entitled to recover expenses, legal fees and costs as determined by a court of competent jurisdiction.

G. Miscellaneous

(i) Time shall be of the essence with respect to all the terms and conditions herein contained.

(ii) Tahoe Shores may record and post notices of non-responsibility for any work undertaken by KGID or third parties on KGID's behalf.

H. Notices

All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered (including by overnight courier) or mailed by certified mail, postage prepaid, return receipt requested. Notices, demands and communications shall, unless another address is specified in writing, be sent to the addresses indicated below:

For Tahoe Shores:

Herbert M. Gelfand
9171 Wilshire Boulevard
Beverly Hills, California 90210

With a copy to

Terra Vista Management, Inc.
9171 Wilshire Blvd., Suite 627
Beverly Hills, CA 90210
Attn.: Sheila Schrank

With a copy to

Michael G. Silverman, Esq.
1900 Avenue of the Stars, Suite 1900
Los Angeles, California 90067

For KGID:

Candice S. Rohr, General Manager
Kingsbury General Improvement District
Post Office Box 2220
Stateline, Nevada 89449

With a copy to

Noel E. Manoukian, Esq.
1466 Highway 395 North
Gardnerville, Nevada 89410

STATE OF NEVADA)
)SS:
COUNTY OF Douglas)

On March 4, 1998, before me, Candice S. Rohr, a Notary Public for the State of Nevada, personally appeared James C. Beattie, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Candice S. Rohr
Notary Public



STATE OF CALIFORNIA)
)SS:
COUNTY OF LOS ANGELES)

On February 27, 1998, before me, Lawrence Duplechan Jr., a Notary Public for the State of California, personally appeared Herbert M. Gelfand, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Lawrence Duplechan Jr.
Notary Public



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and date first above written.

KINGSBURY GENERAL IMPROVEMENT DISTRICT
a Nevada General Improvement District

By: 
Print Name: JAMES C. BEATTIE
Chairman, Board of Trustees

TAHOE SHORES, LTD.
A California Limited Partnership

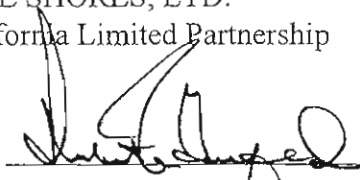
By: 
Print Name: Herbert M. Gelfand
Trustee of the Herbert M. and Beverly J. Gelfand
Family Trust, its Operating General Partner

EXHIBIT A

(Legal Description)

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

PARCEL NO. 1:

Being a portion of the South one-half of Section 22, Township 13 North, Range 18 East, M.D.B. & M., described as follows:

COMMENCING at the Section corner common to Sections 22, 23, 26 and 27 of said Township and Range; thence South $60^{\circ}13'$ West, a distance of 127.20 feet; thence North 61° West, a distance of 1340.20 feet to the most Easterly corner of the Nevada State Farm Bureau property as described in the deed recorded January 7, 1954, in Book B-1 of Deeds, at Page 14, Douglas County, Nevada, records, being also the Southwesterly corner of the property shown on the map of Oliver Park, as filed on February 2, 1959, in the office of the County Recorder of Douglas County, Nevada; thence North along the Easterly line of said Farm Bureau property, a distance of 300.00 feet to an angle point, and being the Northwestern corner of Lot 16, in Block 3, as shown on the map of Oliver Park; thence continuing along the Northeasterly and Northerly lines of said Farm Bureau property, and the Southerly line of the property conveyed to Tahoe Village Properties, Inc., by Deed recorded August 19, 1955, in Book B-1 of Deeds, at Page 417, Douglas County, Nevada, records, North $32^{\circ}20'40''$ West, a distance of 362.80 feet; thence continuing along the line common to said properties North $60^{\circ}40'41''$ West, a distance of 648.68 feet, to the Southwesterly corner of the property conveyed to R.D. Keillor, et al, by Deed recorded April 16, 1963, in Book 16 of Official Records, at Page 695, Douglas County, Nevada, records; the True Point of Beginning; thence from the True Point of Beginning, North $60^{\circ}40'53''$ West, a distance of 1744.33 feet; thence North $81^{\circ}12'08''$ West, a distance of 399.40 feet to the Southwesterly corner of the property conveyed to Tahoe Village Properties, Inc., as above referred to; thence North 217.00 feet along the West line of said property; thence North $86^{\circ}55'13''$ East along the Northerly line of said property, a distance of 561.96 feet; thence continuing along said Northerly line, South $61^{\circ}11'11''$ East, a distance of 1747.00 feet, to a point from which the Point of Beginning bears South $28^{\circ}48'49''$ West; thence South $28^{\circ}48'49''$ West, along the Northerly extension of the Westerly line of the property conveyed to R.D. Keillor, et al, as above referred to and the Westerly line thereof, a distance of 365.71 feet to the True Point of Beginning.

A.P.N. 07-090-06

PARCEL NO. 2:

BEGINNING at a point on the Meander line of Lake Tahoe, which point is the Southwest corner of Lot 2, of Section 22, Township 13 North, Range 18 East, M.D.B. & M., thence East 509.52 feet along the quarter Section line to the West one-sixteenth corner; thence South along the one-sixteenth line 217.00 feet; thence North $89^{\circ}11'30''$ West, 457.06 feet to a point on the Meander line, which point is South 14° East 217.00 feet from the Point of Beginning; thence North 14° West 217.00 feet to the Point of Beginning.

A.P.N. 07-090-05

EXCEPTING any portion of the above described property lying below the 6223.0 feet level of Lake Tahoe and also any artificial accretions to said land waterward of said land or natural ordinary high water or if Lake level has been artificially lowered. Excepting any portion below such elevation as may be established as the boundary by boundary line adjustment with the State or by Quiet Title Action in which the State is a party.

EXHIBIT B

12/2/97
JN 97133

DESCRIPTION
Pump Station Easement

All that real property situate in the County of Douglas,
State of Nevada, described as follows:

All that portion of the Northwest 1/4 of the Southwest 1/4
of Section 22, Township 13 North, Range 18 East, M.D.M.,
more particularly described as follows:

Beginning at a point which bears South 37 42'14" West 152.95
feet from the Northeast corner of the Northwest 1/4 of the
Southwest 1/4 of said Section 22;
thence South 0 06'22" East 15.00 feet;
thence South 88 10'16" West 58.98 feet;
thence South 01 10'47" West 52.95 feet;
thence South 88 49'13" East 15.00 feet;
thence South 01 10'47" West 10.00 feet;
thence North 88 49'13" West 15.00 feet;
thence South 01 10'47" West 14.00 feet;
thence North 89 11'30" West 238.83 feet;
thence North 01 28'50" East 70.05 feet;
thence South 88 31'10" East 51.96 feet;
thence North 01 28'50" East 25.00 feet;
thence South 88 31'10" East 20.67 feet;
thence along a tangent curve to the left with a radius of
9.00 feet, a central angle of 88 09'50", and an arc length
of 13.85 feet;
thence North 03 19'00" East 24.20 feet;
thence North 88 59'16" East 23.29 feet;
thence South 07 34'35" East 11.22 feet;
thence along a tangent curve to the left with a radius of
30.00 feet, a central angle of 82 56'11", and an arc length
of 43.43 feet; thence North 89 29'14" East 158.87 feet to
the Point of Beginning.

Containing 0.52 acres, more or less.

Also a 10 foot wide water line easement the centerline of
which is described as follows;

Beginning at a point which bears WEST 29.02 feet from said
Northeast corner of the Northwest 1/4 of the Southwest 1/4
of section 22; thence South 11 03'10" East 91.94 feet;
thence North 89 25'30" West 140.49 feet;
thence South 03 40'26" West 32.79 feet to a point on the
Northerly line of the above described Pump Station Easement.

Also a 20 foot wide waterline easement the centerline of
which is described as follows:

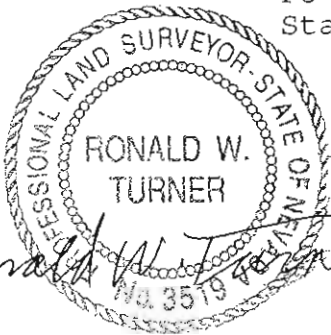
Beginning at a point which bears South 65 43'34" West 429.97
feet from said Northeast corner of the Northwest 1/4 of the
Southwest 1/4 of Section 22; thence North 88 31'10" West

34.00 feet; thence South 76 00' West 38.54 feet to the
Westerly terminus of this description.

The Basis of Bearing for these descriptions is the bearing
SOUTH between found monuments on the East boundary of APN
07-090-05.

Note: Refer this description to your title company
before incorporating into any legal document.

Prepared by: Turner & Associates, Inc.
Land Surveying
PO Box 5067
Stateline, NV 89449

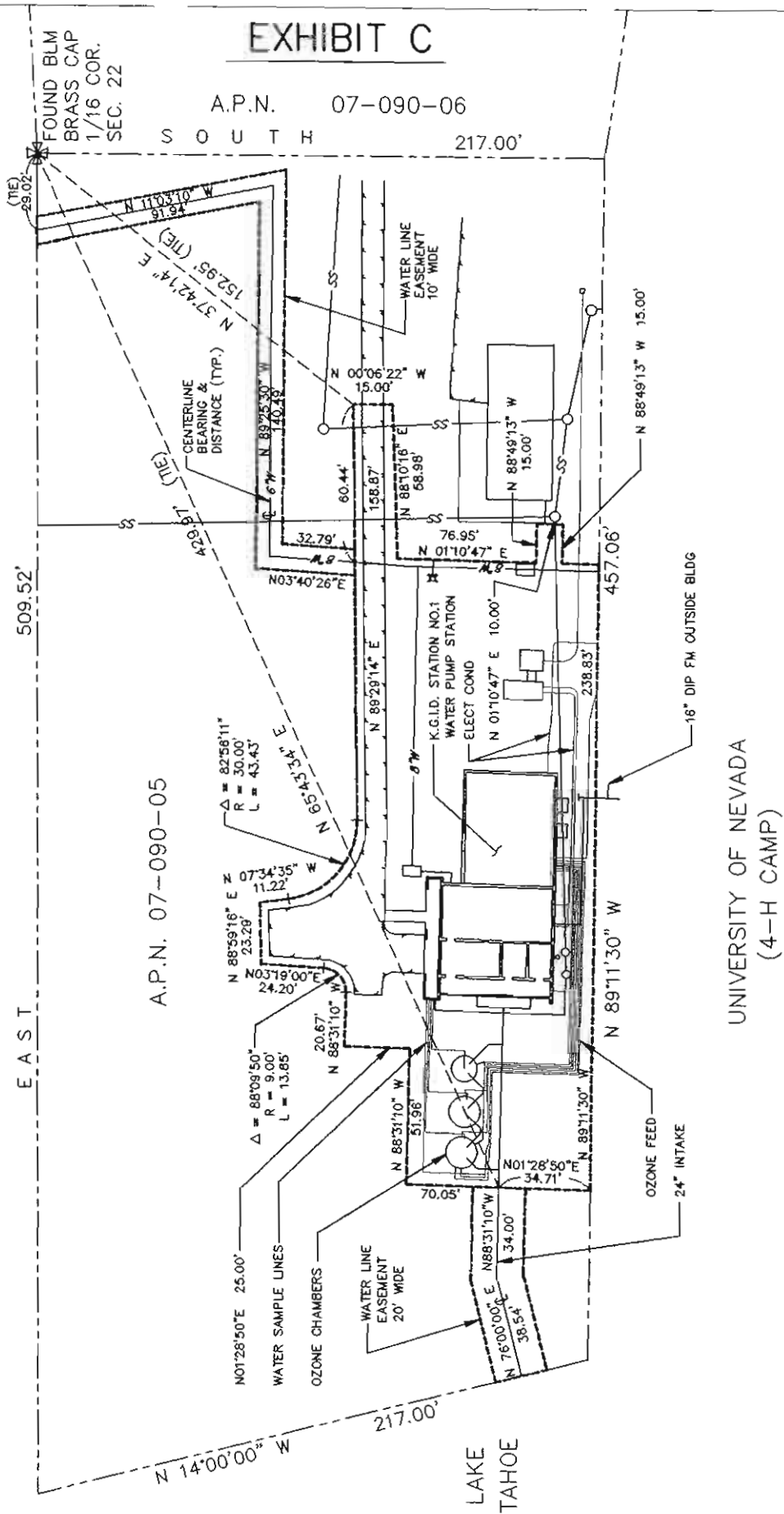


0434033

BK0398PG0818



SCALE: 1" = 20'
(FULL SCALE PLAN ONLY)



1997 EASEMENT AND LOCATION OF K.G.I.D. IMPROVEMENTS

0434033

BK0398PG0819

REQUESTED BY
K G I D
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'98 MAR -5 A9 :40

0434033
BK0398PG0820

LINDA SLATER
RECORDER
\$23⁰⁰ PAID K2 DEPUTY