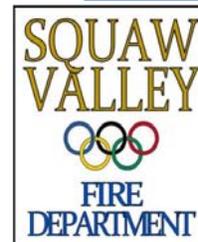




SQUAW VALLEY PUBLIC SERVICE DISTRICT



VILLAGE AT SQUAW VALLEY PROJECT

DATE: November 29, 2016

TO: District Board Members

FROM: Mike Geary, General Manager

SUBJECT: *Village at Squaw Valley* - Project Update & Status – Informational Only

BACKGROUND: The discussion section below provides information on the *Village at Squaw* Project. It is included in the District's monthly agenda to allow discussion of the project without violating the Brown Act's requirement that there be no discussion undertaken on any item not on the agenda. This report is prepared to provide new information and recent progress on issues that are not the subject of a separate report. This item is informational only and there is no action requested of the Board.

Staff, District counsel and consultants continue to develop business points to prepare a Development Agreement with Squaw Valley Real Estate (SVRE) for the proposed project. Work includes updating the District standard Development Agreement; customizing it for the Village at Squaw Valley Project.

Development triggers for required infrastructure and facility improvements are being identified. The six separate analyses of project impacts and proposed mitigations completed by the District in 2014 and early 2015 are being used in conjunction with development triggers proposed by SVRE in its Master Phasing Plan for these purposes.

The flexible phasing of development allowed by the County and the length of the time anticipated for project development (25 years) makes the negotiation of a Development Agreement that protects, maintains, and improves the District's existing customers, our water and sewer systems, and our current levels of services challenging.

Staff will provide updates to the status of negotiations to the Village Ad Hoc Committee and the whole Board as additional progress is made.

On Tuesday, November 15, 2016, the Placer County Board of Supervisors approved the Village at Squaw Valley Specific Plan (VSVSP) and certified the Environmental Impact Report in 4-1 vote. They also approved the Water Supply Assessment prepared by the District on behalf of Placer County. District staff were present at the hearing to field any technical questions from the Board of Supervisors, but none were asked. A press release from Placer County is attached.

DISCUSSION: Water

There is no new information to report since last month's Board Meeting.

Sewer

There is no new information to report since last month's Board Meeting.

Fire / EMS

There is no new information to report since last month's Board Meeting.

ATTACHMENTS: Press Release from Placer County, November 15, 2016.

DATE PREPARED: November 22, 2016.

Placer County Supervisors approve Village at Squaw Valley project

November 15, 2016

The Placer County Board of Supervisors voted 4-1 today to approve the Village at Squaw Valley Specific Plan and the certification of the project environmental impact report, after a more than nine hour meeting, with significant public comment both for and against the development.

This approval makes way for the development of 94 acres at Squaw Valley to transform into a destination resort village offering numerous resort residential lodging options and amenities. Up to 850 units with a maximum of 1,493 bedrooms would be developed - a reduction by more than half of the units allowed by the Squaw Valley Master Plan in response to nearly five years of community engagement.

The plan includes new hotel, resort residential, retail, restaurants and bars, entertainment and public and private recreational facilities. Also included would be the Mountain Adventure Camp, an indoor and outdoor recreation facility. The significant majority of the development, 82 acres, would take place on what is currently asphalt. The Planning Commission recommended approval at its meeting in August.

In a late-breaking development, the applicant volunteered to contribute a total of \$440,862 in air quality payments to the Tahoe Regional Planning Agency based on an agreement with the California Attorney General's office. This payment obligation is memorialized in the project's development agreement with Placer County, making it enforceable by the county. The fee would go toward funding environmental improvement programs in Placer County.

A planned employee housing development would accommodate up to 300 employees, more than half of what will ultimately be required to meet the county's workforce housing requirement for new development by the completion of the project.

As part of the project, two streams that were altered for the 1960 Winter Olympics would be restored and new wetlands created, helping reverse erosion and the degradation of habitat for fish.

Andy Wirth, president and chief executive officer of Squaw Valley Ski Holdings, praised county staff for the thousands of hours of effort in processing this application, and said that the plan is consistent with the dream envisioned by area founders and will have significant positive benefits for the community. Approval of this plan, he said, "would lead to projects which would mitigate and repair environmental degradation from the 1950s and create millions in much needed economic stimulus in the form of full-time, year-round jobs and on-site workforce housing."

Other key public benefits of this plan identified by staff today as “above and beyond the requirements” include:

- Transit: a one-time fee of \$85,000 for upfront operating and capital expenses for Tahoe Truckee Area Regional Transit’s transit plan update and \$97,500 annually for operations, totalling \$2.9 million over the life of the development agreement;
- \$75,000 or more to ensure free TART fares for resort employees;
- West Valley Fire Station: dedicated land within the project boundary and building of a fire station, 100 percent funded by the developer;
- \$800,000 for environmental and or public safety project improvements within Olympic valley as part of a regional initiative fund;
- \$500,000 for regional affordable housing initiatives in addition to the built workforce housing for up to 300 employees;
- and \$6.3 million for park and recreation improvements.

Citing the project benefits, District 3 Supervisor Jim Holmes said, “It seems to be a good project. KSL is a quality organization, they are very supportive of the community and very environmentally conscious. And I think the project benefits are very valid.”

Addressing comments submitted in response to the project’s final environmental impact report, county staff explained that while the project would increase traffic in the Tahoe Basin, the increase by approximately one percent of the total daily number of vehicle miles traveled would not exceed the existing threshold for the basin, and would be somewhat offset by the project’s investment in public transit improvements. Traffic improvements might be achieved through changes to state Route 89, though these would depend on Caltrans to build them, and therefore couldn’t be guaranteed to offer relief.

While voting to oppose the proposal, District 5 Supervisor Jennifer Montgomery explained what a difficult decision that was, and congratulated the county’s lead planner on the project, Alex Fisch, for his thorough work throughout the application process. “He has worked tirelessly on this and received a lot of flack for doing his job,” she said. “He’s a planner, not a proponent or opponent, but a planner, and a darned good one. I want to thank him for doing his job in a really enlightened and impartial manner.”

While the board approved the specific plan outlining the envisioned improvements, plans for each specific proposal within the plan area would still undergo additional public review.

District 1 Supervisor Jack Duran acknowledged the tough choice the board faced and the community’s input throughout the process. “These are always difficult decisions and not ones we make in the spur of the moment. I understand the passion of everybody here.. and having spent a lot of time in Tahoe, I do have an overwhelming desire to make sure that whatever is done here is done properly,” he said. “Everything that comes down the pike is going to be evaluated and discussed again and again and again, and that provides opportunity for the community to have input and work with the party to get a project that may be much better.”