



# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT BOARD REPORT



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<b>SUBJECT:</b>	Village at Palisades Tahoe Specific Plan Project Update	<b>EXHIBIT:</b>	F-2, 3 Pages
<b>AUTHOR:</b>	Charley Miller, General Manager	<b>MEETING DATE:</b>	Dec 16, 2025

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## RECOMMENDED ACTION:

This report is informational only; no action is requested from the Board.

## DISCUSSION:

The discussion section below provides information on the Village at Palisades Tahoe Project (Project). It has been added to the District's agenda to allow discussion of the project without violating the Brown Act's requirement that no action or discussion be undertaken on any item not on the agenda. This report is prepared to provide current 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.

On November 19, 2024, the Placer County Board of Supervisors certified the updated Environmental Impact Report (EIR) and approved the Village at Palisades Tahoe Specific Plan. Within weeks of that approval, Sierra Watch and the League to Save Lake Tahoe filed a CEQA lawsuit (December 6, 2024) challenging the County's actions.

Over the following months, Palisades Tahoe, Sierra Watch, the League, and the County engaged in settlement discussions to address the issues raised. These discussions resulted in a comprehensive Settlement Agreement, finalized in June 2025, which outlines substantial modifications to the approved project. Key components include:

- Reducing total bedrooms in the Main Village from 1,493 to 896;
- Reducing commercial square footage by 20%;
- Eliminating the proposed indoor waterpark;
- Reducing the Mountain Adventure Camp to 72,000 sq. ft.; and
- Permanently protecting Lots 16 and 18 under a conservation easement; and
- Updating mobility, transit, and workforce housing commitments.

## Current Activities

Since execution of the Agreement, Palisades Tahoe and the County have been preparing the Revised Project and working through the steps needed to bring the modified plan forward for public review and approvals.

In September 2025, the Board approved two professional service agreements to ensure the District has independent, current technical information to support review of the Revised Project. These included a contract with Citygate to update the fire and emergency services impact and mitigation analysis, and a contract with DOWL to update the District's water and sewer capacity studies and future demand projections.

To support the District's financial evaluation, the General Manager authorized a professional services agreement, in the amount of \$18,500, with Andy Heath to prepare a financial analysis of the Revised Project. This analysis will assess projected ad valorem revenue generated from reassessment of the new development as well as the District's ongoing costs associated with providing the mitigations and services required to support the project.

On December 1, Placer County and Alterra hosted a public town hall on Zoom to review the updated project description and key changes stemming from the Settlement Agreement. A second presentation was held on December 8 at the Olympic Valley Municipal Advisory Council (MAC) meeting, where the County and developer will provide an overview of the Revised Project and next steps in the public review process.

District staff have met with both the County and the Developer several times over the past month to continue refining the scope of District-related mitigations, including operations, infrastructure, fire and EMS services, and long-term capital needs.

**ATTACHMENTS:** Andy Heath Financial Services Proposal

**DATE PREPARED:** December 8, 2025

**Andy Heath Financial Services**  
**Proposed Scope of Work – Palisades Tahoe Development Fiscal Analysis**  
**For: Olympic Valley Public Service District**  
**Date: November 21, 2025**

Based on information received from the Olympic Valley Public Service District (District) regarding the potential build-out of the Palisades Tahoe Development (Development), Andy Heath Financial Services (AHFS) will provide independent financial services to provide the District with the following:

- Multi-year and long-term revenue and expenditure forecasting demonstrating possible fiscal impacts associated with the build-out of the Development
- Analysis of forecast results to inform potential funding plan(s) related to one-time services / operational impacts identified
- Delivery of a report to District showing outcomes of forecast assumptions and analysis

Scope of Services:

***Development of a multi-year / long-term revenue and expenditure forecasting tool (Financial Model) using Microsoft Excel considering all known and potential impacts (assumptions) of the proposed Development. The 25-Year Financial Model will be built in a manner to accommodate varying assumptions and factors associated with fiscal impacts of the Development, including the following:***

- Long-term revenue projections – including property tax, utility rate revenues, garbage revenues and connection fees
- 1-Time revenues resulting from fees paid as Development is built out
- Ongoing expenditure impacts related to expansion of service(s) required as the Development is built out – including staffing and operational expenditures
- 1-Time expenditures related to mitigation of impacts stemming from the Development
- Cash Flow / Fund Balance analysis related to the timing of anticipated expenditures for growth in services versus expected growth in revenue streams

***Development of a hypothetical funding plan for one-time services / operational impacts identified as part of the forecasting analysis. Impacts identified may include additional assets / infrastructure related to the increase in service(s) population for the District's Fire, Water, Sewer and Garbage functions:***

- Identify potential impacts specific to the Development requiring a defined level of funding; and the timing for receiving required funding
- Identify funding parameters for potential mitigation requirements to consider as part of a Development Agreement between the District and the Development

***Preparation and presentation of findings to the District***

- Prepare synopsis of findings and present the District's Board of Directors
- Provide District with Forecasting Model / Tool

Proposed Contract / Fee: Time and Materials contract up to 100 hours @ \$185.00 / hour –  
 \$18,500.00