

Developers make Cristallago pitch to Lakeport Council

Contributed by Elizabeth Larson
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LAKEPORT — The developers who want to build the Cristallago project outside of Lakeport gave a presentation on the proposed residential and resort development to the Lakeport City Council Tuesday night.

Jim Burns, representing the Cristallago development team, made the presentation to the council on behalf of developers Mark Mitchell and Matt Boeger.

The matter was the council's last item of discussion, and placed on the agenda under City Council communications rather than public presentations, which Councilman Jim Irwin questioned. Mayor Buzz Bruns said he had it agendized that way.

"Was there anything in our packets about this one?" Irwin asked.

There wasn't, said Bruns. It was, he said, an opportunity for the council to hear more about the project.

"If we think it's good for our city we can give 'em the go-ahead — the blessing, let's put it that way," said Bruns, who will leave the council next month when his successor, Suzanne Lyons, is sworn in.

"Lake County is just changing dramatically," said Burns, pointing to developments like that being done by Jim Fetzer on the Northshore, along with the proposals for Cristallago and an 18-hole golf course and subdivision the city of Lakeport envisions on its municipal sewer district land.

Burns said the county — which has had unsavory associations such as trailer trash and methamphetamine pinned to it — will be transformed by those projects.

The collective redevelopment programs of the cities and the county are drawing developers and giving them the confidence to invest in Lake County, said Burns. Over the next 25 years, he said half a billion dollars will be invested in the county's blighted areas.

Burns offered a PowerPoint presentation in which he explained that Cristallago, slated to be located on Hill Road at Highway 29, had originally included 1,000 residences and 200 resort units on 862 acres, which includes 576 acres of open space.

However, at the behest of the Board of Supervisors, Burns said the project was adjusted to have more of an emphasis on the resort side, reducing the residential units to 650 and raising the resort units 63 percent to number 325.

Burns said sewer service is immediately adjacent to the development area, which also is near a fire station, Sutter Lakeside Hospital and a water source — Clear Lake, which will supply the subdivision's drinking water. Groundwater won't be used, he said.

There also will be a link between Cristallago and the Marina at Lyons Creek, another Boeger Land Development project, which is located on the lakeshore. According to Boeger's Web site, the marina will have "up to 440 residences (many located with a boating connection to the lake), a restaurant, and a senior home." It's also supposed to have a high-tech water treatment plant on site.

"We think there will be a lot of synergism between those two projects," he said.

Cristallago will include an 18-hole Jack Nicklaus signature golf course on nearly 190 acres. Burns said the course alone will cost about \$2 million to design and will raise each residential lot's value by an additional \$77,000.

He said the development and resort will provide activities for people of all ages and income levels.

Burns presented figures of potential annual spending of \$21.6 million from the residential side and \$33.7 million from Cristallago's resort. Annual service costs for the residential development is estimated at more than \$906,000 and more than \$166,000 for the resort.

In addition, Burns said Cristallago has numerous "green" programs, from a prohibition on wood-burning fireplaces to a tertiary-treated water system, which will supply the golf course. The subdivision also will use smart-growth principles.

Burns said the subdivision will create 670 new jobs, and by itself can reduce the county's unemployment from 10 percent to 6 percent. Of those jobs, 110 will be construction and 560 will be permanent.

He estimated the project will attract 40,000 visitors annually, resulting in \$195 million in direct economic impact and \$370 million in total economic impact. Burns said Cristallago will generate \$48 million in local spending annually. A \$20 million marketing effort will promote the plan.

A marketing plan completed for the county several years ago pointed to the need for a destination resort in the north county, which is where the business partners began looking to build, said Burns. They combined the former Black Rock and Las Fuentes project sites, which had been approved in the 1990s and 1980s, respectively, and both of which had golf courses included.

"We thought this would be a natural place to build this," he said.

Addressing what he said were the main misconceptions about Cristallago, Burns said it's not the largest project in the county ever — the Clear Lake Riviera and Hidden Valley Lake are larger. It will create 560 permanent jobs and won't be just for the rich, with some units available for around \$300,000.

He said the project also won't cause area wells to dry up because it will use lake water and traffic also won't be out of control, he said.

Burns said the subdivision will be built over a 15- to 20-year timeframe, with the golf course to be built first.

Lakeport may get all of the impacts — as well as all of the positives, such as increased sales tax, said Burns.

The development team is planning to meet with Sutter Lakeside Hospital and the Lakeport Regional Chamber of Commerce. The project will be before the Planning Commission in December.

Councilman Bob Rumfelt asked about traffic issues, and if the development would help provide for updating area roads. Burns said they're happy to pay their fair share, and pointed to the county's work on a traffic impact fee to address development and traffic.

Rumfelt pointed out that the city's traffic impact fees are proposed to go as high as \$20,000 per home. "I'm not really sure how to respond to that," said Burns, who admitted that such high fees might cause the developers to take another look at the project and retool it accordingly.

John Lee, who owns 20 acres on Hill Road adjacent to the heart of the Cristallago area, spoke to the council and warned them against giving their support to the project.

Lee, who earlier this year had successfully appealed to the Board of Supervisors Mitchell's Eachus View Estates — a reworked version of which the board accepted last month — said Cristallago was another example of developers' big money and big talk, but very little action.

"If you listen carefully to the presentation it's flawed beyond belief," he said.

Lee said it's "nonsense" that the developers have taken care of all planning concerns.

Cristallago, he said, promotes leapfrog development, and he dismissed the economic impacts Burns presented as just numbers and "nothing more."

"If you lay money on those numbers then I have some land down in Louisiana I'd like to talk to you about too because I think your investment will be just as good," Lee said.

The northern area of Cristallago, on the Las Fuentes site, has high degrees of asbestos in the soil, which Lee said would require the area's 450 acres to be covered by 2 to 3 feet of soil to build.

"The project really makes no sense," Lee said.

He added, "Are you going to control development or is development going to control you?"

While Lee imagined local business will support the project, he wondered how long it would be before major chain stores started trying to come in, which Lee suggested would wipe out smaller merchants.

He also said it was "balderdash" that it won't have traffic impacts on the city.

Lee ended by invoking the "lipstick on a pig" reference heard often during the recent presidential election.

"This is still a pig," he said of Cristallago. "It's not a good plan."

Businesswoman and Sierra Club member Cheri Holden told the council that the project's environmental impact report is available now, and she urged them to examine it in order to understand the project's realities.

Suzanne Lyons, who will take her council seat next month after receiving the most votes in this month's City Council election, said she had several questions about Cristallago. She said she thought the sewer system Burns said was in close proximity to it was under a cease and desist order. She also said she hasn't seen how the project will pay its own way.

In addition, Lyons questioned who will build the tertiary treatment plant, and asked if the construction jobs would be for local residents or out-of-county union members.

She said she didn't know what Realtors Burns was talking to, but said her understanding is that lakes, not golf courses, are big draw for visitors.

Burns asked his fellow council members if they wanted to take any action. Councilman Ron Bertsch said he didn't know enough about the project to offer an opinion. Other council members for the most part were silent.

Lyons suggested the council should take more time before doing anything.

Councilman Roy Parmentier, spotting Lakeport Fire Chief Ken Wells in the room, asked if he had any input on the project.

Wells said he's toured the project area with one of the developers and sat in on a few meetings about it, but hasn't yet reviewed the environmental impact report.

"Personally I think the tax dollars are there and it could be good for all," Wells said.

In other council news Tuesday night, the council didn't approve a \$5,000 request from the Lakeport Regional Chamber of Commerce to help fund the Dickens Christmas Market, instead opting to reconsider it later during the midyear budget review, citing budget concerns.

The council also didn't approve the chamber request for \$500 to pay the volunteers association for the Lakeport Fire Department to put up Christmas decorations, also citing cost. City Public Works Director Doug Grider and Wells offered to work together to find volunteers to do the work for free.

In a brief public hearing, the council approved an amendment to the city's contract with CalPERS to add a "golden handshake" early retirement option. It also approved a contract change order for adding six memorial plaques to the Third Street Improvement Project; approved a resolution prohibiting utility companies from opening, cutting or excavating in the newly paved sections of Third Street from the east side of Main Street to the east side of Park Street for a period of five years; approved the Lakewood Knolls tentative subdivision map; and received a long-awaited draft of new city personnel rules crafted by City Attorney Steve Brookes.

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