

WS

Homewood Mountain is going private. Is this the future of Tahoe skiing?



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The vast blueness of Lake Tahoe spreads out in a panoramic view from the top of Homewood Mountain Resort.

Skiers and riders at the 60-year-old West Shore resort have access to some of the best tree skiing around, with runs ending just a stone's throw from the sparkling water of Tahoe.

But over the next few years, the number of skiers and riders who can enjoy that view will be limited as Homewood transforms from a sleepy locals' mountain known for its low-key vibe to a private luxury resort.

Homewood's owners are converting it to a private business model that will offer a limited number of lifetime ski memberships; day passes and general season pass sales will go away. Lifetime membership fees, along with annual dues, will go to upgrading infrastructure and amenities at the aging resort.

"There will be nothing like this in the Tahoe basin," said Art Chapman, chairman of JMA Ventures, Homewood's owner. "It will be an extraordinary place."

But West Shore residents and visitors aren't so sure. Many opposed the expansion from the start. Others who originally supported the project were caught off guard by a recent announcement that the resort is going private.

"It's a great place to ski. Everybody wants to keep it open," said Judith Tornese, president of the Friends of the West Shore, a grassroots conservation group that had concerns with the project even before the privatization was announced. "But it's taken a turn nobody has anticipated."

Traffic and aging infrastructure

Located six miles south of Tahoe City, Homewood is one of the most isolated resorts in Tahoe. The solitude is a selling point for many skiers and riders. The runs are uncrowded, the views outstanding.

But for many people commuting into the Tahoe basin, the battle to reach Homewood isn't worth it.

Visitors from the Sacramento area must wade through single-lane Highway 89 traffic at Palisades Tahoe to get to Homewood. Visitors from the Bay Area can stop at Sierra-at-Tahoe or continue to Heavenly faster than they can get to Homewood. And the resort lacks many modern amenities.

Some of the lifts are 50 years old. Construction of a mid-mountain lodge was never completed, and a sturdy tent stands in its place. There is no potable water, so only cold drinks and grab-and-go food are sold on site.

And the lone bathroom – well, it's beyond description, according to Chapman.

In 2006, JMA Ventures bought the property with the intention of revitalizing it. Plagued by a series of dry winters in the 1980s and '90s, the 1,260-acre resort was losing money year after year as it went through a series of owners. JMA now subsidizes its operations each year.

The traffic combined with the aging infrastructure have resulted in a 40 percent decline in ticket sales over the past decade, Chapman said. Homewood can't rely on revenue from skiers and riders to fund the vast capital improvement project it needs to keep up with resorts like Palisades Tahoe and Northstar.

That is why the resort is privatizing “instead of relying on hope, hope that people would fight the traffic and come to Homewood on a commuter basis.”

Flying under the radar

A dozen miles north of Homewood sits Palisades Tahoe, one of the largest resorts in North America by skiable acres.

The resort features a village with shops, hotels and fine dining. A new gondola, set to open in mid-December, connects the two sides of the resort.

For years, owner Alterra Mountain Co. has pushed for the resort to be even bigger. Despite public opposition, Alterra is lobbying for large-scale expansion, including an indoor water park, roller coaster and high-rise condos.

The project has drawn the outrage of Truckee and Tahoe City residents who have turned out in droves at public meetings to express their ire. Sierra Watch, a grassroots opposition group, has stalled the development through a series of lawsuits over the past several years. Last month, Placer County rescinded its approval of the project following a court order.

But the Homewood development has largely flown under the radar.

'Even the wealthy can't afford this'

Homewood's initial development is small, consisting of only a few houses and condos at the mountain's North Base.

But under JM Ventures' plan, in the next few years Homewood's tiny North Base will be transformed into a base lodge and neighborhood village with upscale condominiums, townhomes and shops. Cross country ski connections and an ice skating rink will be added for anyone looking for a break from downhill skiing.

In 2011, the Tahoe Regional Planning Agency Governing Board approved the project based on economic and environmental benefits the expansion would bring about, including transforming “Homewood into an environmentally friendly four-season resort by adding hotel accommodations and amenities to attract destination visitors” while bringing an estimated \$16 million to \$20 million in visitor spending to the local community.

Those economic benefits are now unlikely to come to fruition, though, as the resort targets an elite clientele and the scope of the project is overwhelming for locals like Eileen Wee.

Wee's family has had a cabin at Homewood since 1963 – Wee has owned her own, just four doors from her parents, since 1994. Wee was surprised recently when she opened her email and found an invitation from a Tahoe Realtor inviting her to view new Homewood properties under construction.

“The developer will be giving first priority to 'in-house' buyers, meaning clients that already own a Discovery Land Company property in another location,” the email said.

JMA has partnered with Discovery Land, a developer and operator of exclusive communities and clubs, for the Homewood project.

“Their base of clientele is loyal, so they anticipate their 'in-house' clients will buy all of the first phase,” the email said. “There have been only three private VIP tours of the CEO's hand-picked clients, but nothing open to the public yet.”

The first phase includes seven chalets and 32 condos, with prices likely starting at about \$2,700 per square foot, according to the email.

After Wee read the email, she contacted the Realtor who had sent it, who told her the email was sent to her in error.

“Even the wealthy can't afford this – it's the one percent of the one percent,” said Ted Peterson, whose family has had a cabin in the area since before Homewood was established.

At age 66, he remembers when Homewood didn't exist, when what is now the bottom of the resort ski was once a neighborhood trash pile where he and friends would play. Now, one of Homewood's ski lifts touches down just few hundred feet from his family's cabin door.

People in the Homewood community had some concerns but were generally excited about the proposed expansion project when it was first announced about a decade ago, Peterson said.

But when the privatization was announced just a few months ago – around September or so – “people were very shocked,” he said. “This is such a double-cross to the community.”

Chapman said he understands the frustration residents have, but that Homewood's economic model needed to change.

“There’s nothing we could have done different,” he said. “The alternative is Homewood doesn’t exist.”

Is this the future of Tahoe?

After the 1960 winter Olympics were held at Palisades Tahoe – then Squaw Valley – a West Shore resident named Ron Rupp looked for ways to capitalize on the popularity of snow sports.

In 1962, Rupp, who owned a waterskiing school, partnered with a West Shore hotel owner to install a rope tow built from car rims and a Jeep engine.

Homewood was born.

The resort grew over the years, adding amenities including a marina, restaurant and lakefront property. Hundreds of condos were proposed.

In 2012, the most recent plans for expansion were pushed back when Earth Justice filed a lawsuit on behalf of Friends of the West Shore and The Tahoe Area Sierra Club. In 2013, a federal judge halted the project, saying its environmental impact statement needed revision.

In 2014, JMA Ventures settled the suit, clearing the way for the project. It’s estimated cost was \$500 million in 2011 – Chapman did not provide an updated cost.

Since the settlement of the lawsuit, the project has quietly gained steam.

The project hinges on residents paying for exclusive memberships to Homewood that will require a one-time initiation as well as annual fees. Chapman would not say how much those will be. Those memberships will be limited to owners of 223 residences and condos, according to an overview of the Homewood project.

“Homewood’s already-established ski and lake club will be further developed to become Lake Tahoe’s most luxurious and exclusive family lifestyle community to date,” according to the overview.

Single-day tickets will go away, and other than a handful of community ski days for West Shore residents – midweek and not around holidays – the resort will largely be the playground of only those who can afford the steep price tag.

“It will be a very, very unique, upscale opportunity,” Chapman said.

But Tornese, the president of Friends of the West Shore who has carved plenty of turns at Homewood over the years, isn’t sure if “opportunity” is the word she would use. She likens the proposal to a private country club and said residents don’t want to see access to skiing restricted.

“This change was totally unanticipated. It’s not what they thought they were getting,” she said. “One of the concerns people have is ‘Is this the future of Tahoe?’ Who knows?”

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