Acknowledgments

The Lake Tahoe Destination Stewardship Plan acknowledges that the land to which Da ow ga (Lake Tahoe) belongs, is the homeland of the wá∙šiw (Washoe) people, that the Washoe are the original stewards of the land in and around the Lake Tahoe Basin, since time immemorial. The Washoe Tribe of Nevada and California has maintained their role as environmental stewards of the Lake Tahoe Basin by continuing to advocate for their homelands and to protect, respect, and take care. uwádjáwi (Thank you) for participating in this process and your ongoing commitment and support of this initiative.

Thank you to the group of organizations and individuals that collaborated throughout this 15-month process, dedicated time and attention and care, and now commit to working together to bring the Lake Tahoe Destination Stewardship Plan to life. And to all of the thousands of community members; from business owners, to residents, to property managers, to visitors, thank you for shaping the plan and contributing to Tahoe’s future.

The Lake Tahoe Destination Stewardship Planning Team (aka “Core Team”) included the following participating organizations in the Greater Lake Tahoe Region, including Truckee.
Representatives (Alphabetical by Organization):

California Tahoe Conservancy
Kevin Prior, Director of the Land Division
Chris Mertens, Senior Environmental Planner

City of South Lake Tahoe
Joe Irvin, City Manager
Lindsey Baker, Public Information Officer

El Dorado County
Brendan Ferry, Deputy Director Tahoe Planning

Lake Tahoe Visitors Authority
Carol Chaplin, President & CEO
Stuart Maas, Senior Director of Marketing & Business Development

Nevada Division of Outdoor Recreation
Matthew Weintraub, Deputy Administrator
Kendal Scott, Outdoor Education Lead
Colin Robertson, Former Administrator

North Tahoe Community Alliance
Tony Karwowski, President & CEO

Placer County
Stephanie Holloway, Deputy County Executive Officer, Tahoe

Tahoe Chamber
Steve Teshara, Director of Government Relations

Tahoe City Marina
Jim Phelan, General Manager

Tahoe Fund
Amy Berry, CEO
Caroline Waldman, Program Director

Tahoe Prosperity Center
Heidi Hill Drum

Tahoe Regional Planning Agency
Julie Regan, Executive Director
Jennifer Self, Principal Planner
Devin Middlebrook, Government Affairs Manager
Jeff Cowen, Public Information Officer

Travel North Tahoe Nevada
Andy Chapman, President & CEO

USDA Forest Service, Lake Tahoe Basin Management Unit
Daniel Cressy, Public Services Staff Officer
Vicki Lankford, Deputy Forest Supervisor
Erick Walker, Forest Supervisor

Visit Reno Tahoe
Charles Harris, President & CEO
Christina Erny, Vice President of Marketing
Ben McDonald, Director of Communications

Visit Truckee-Tahoe
Colleen Dalton, CEO

Washoe County
Alexis Hill, Washoe County Commissioner District 1

Washoe Development Corporation
Wendy Loomis, Executive Director

Project Consulting Team

Managing Partner: Center for Responsible Travel (CREST)
Wesley Espinosa, Interim Executive Director
Alix Collins, Director of Marketing & Communications
Tara Hetz, Community Engagement Facilitator

Co-Managing Partner: The Travel Foundation
Jeremy Sampson, CEO
Kelly Galaski, Project Manager and Sustainable Tourism Specialist
Elke Dens, Director of Global Programmes
Terry Brown, Programmes Manager

Lead Strategist: Better Destinations
Cathy Ritter, Founder & CEO

Economic Strategists: SMG Consulting and Triple Point Consulting
Carl Ribaudo, President & Chief Strategist, SMG
Jeff Moffett, PhD, Principal, TPS

Strategic Funding Consultant & Counsel: Civitas
John Lambeth, Founder & CEO
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Executive Summary

Tahoe is a place of aesthetic, cultural, and environmental contrasts. Spanning two states and five counties, encompassing diverse communities, and embodying a wide range of perspectives, this stewardship plan has been meticulously designed for and by the Tahoe community.

During the summers of 2020 and 2021, along with many special places across the United States, the Lake Tahoe region experienced an influx of visitors seeking release from pandemic restrictions in outdoor spaces. At the same time, a national migration from cities to mountain and resort communities drove Tahoe property values and housing costs well beyond levels that most local salaries could afford. The force of this phenomenon turned housing and labor shortages into crises. Traffic congestion, parking transgressions, environmental impacts and litter on beaches and trails, in addition to long lines for restaurants and disrespectful behaviors, pushed local unhappiness to a tipping point. Demands arose for urgent action.

A new collaboration of land managers, business owners, public agencies and nonprofits from across the region formed to address immediate recreation issues brought on by the COVID-19 Pandemic. This group secured more than $1 million to expand Clean Tahoe’s litter program to the East and North Shores, launched an ambassador program to educate users, and launched a regional responsible recreation campaign through Take Care Tahoe.

While the pandemic sparked this initiative, there was widespread recognition that these issues were not entirely new and were in need of a long-term solution. Enter the Destination Stewardship Plan.
Executive Summary

Why is shared action and management so crucial for Tahoe’s long-term vitality and prosperity?

With more than 2 million unique annual visitors spending an average of nearly 15 million visitor days in the region, generating more than $4.5 billion in direct spending last year, much is at stake. With a local population of about 54,000 in the Basin and another 17,000 in Truckee, protecting the quality of the Tahoe experience while advancing the needs of the region’s communities and its visitor and recreation-based economy is a gargantuan challenge. It will take an all-hands-on-deck approach and epic collaboration to achieve a harmonious balance of interests.

The Lake Tahoe Destination Stewardship Plan bears the fruit of countless hours of collaboration, engagement, and knowledge sharing. It is a testament to the dedication and perseverance of all involved, and it showcases the necessity of cross-sector collaboration for addressing the Lake Tahoe region’s complex challenges.

Purpose Statement

Lake Tahoe’s communities and economy are rooted in recreation and tourism, touching the lives of all who work, live, and play here. The region has come together to create a shared destination stewardship plan that will balance the needs of the environment, businesses, visitors, and local communities. This new shared strategy will inspire all to take care of Tahoe.

Now at 17 organizations strong, the Collaborative has shaped this agenda for action. It is centered on a vision for a better future that all who care about Tahoe are invited to share – whether full-time or seasonal residents, business operators and property owners, community organizations, land managers, units of government, and visitors of all kinds.

As the work of this plan unfolds, it is essential to remember that its success hinges upon the continued engagement and commitment of all stakeholders to work together in pursuit of a shared vision for the Lake Tahoe region.
A Shared Vision for Tahoe

The Lake Tahoe region is a remarkable place that is loved by many. Dedicated community members passionately care for Tahoe and have a strong desire to see it flourish into the future. Through many challenges and changes, the Tahoe region, including Truckee, has demonstrated a propensity to lean on collaboration to find a way forward. Now, as the region faces mounting challenges and impacts from tourism and recreation - the region’s primary economic engine - its stakeholders and community members have come together to establish a shared vision for Tahoe’s future and commit to finding solutions.

The region created this shared vision to address these critical challenges and improve the Tahoe experience – for all – through a comprehensive, collaborative approach. This shared vision was shaped over the past year by extensive public engagement, research tools and approaches, and a thorough analysis of how Tahoe’s famed tourism and outdoor recreation experience impacts the region. This vision represents the desired outcome of the Lake Tahoe Destination Stewardship Plan.

Stakeholder Engagement

By its nature, a Destination Stewardship Plan must be deeply rooted in stakeholder engagement, and the views of the region’s stakeholders influence every aspect of this plan. Led by Better Destinations with support from other consortium members, the engagement plan included public sessions, discussion groups, in-depth interviews, and a resident survey. To ensure that the voices of the Tahoe region were heard and honored, the planning process provided a rich array of ways for locals to weigh in. Collectively, public engagement sessions, discussion groups, in-depth interviews and a resident survey gave more than 3,950 Tahoe area residents and visitors a chance to share direct input into this plan.

Research and Modeling

In addition to stakeholder insights, this plan is deeply informed through research tools created by SMG Consulting and Triple Point Strategic Consulting. The Tourism Impact Model developed for this study yielded new insights into the value of Tahoe’s tourism and recreation economy, as well as a deeper
understanding of its visitor flow. In part, this new economic modeling system identified the volume and impacts of a new day visitor category – the “untethered visitor,” those who are just passing through Tahoe or who recreate briefly but do not stay overnight or purchase a tour or activity and therefore require new management and communications strategies.

A new scenario modeling concept allowed workshop participants to weigh in on various approaches to managing future tourism in Tahoe. Their insights pointed to this plan’s “Balanced Tahoe Scenario,” which supports creating conditions for tourism to thrive while achieving destination stewardship goals.

A tool innovated by the Travel Foundation, the Optimal Value Framework, analyzes current efforts to address key challenges across the region, to identify both recommended actions and monitoring indicators.

Finally, to identify sustainable funding resources to implement the plan’s Priority Actions, Civitas developed a Funding Feasibility Study outlining near and long-term funding possibilities.

Guiding Principles

This plan’s Shared Vision and Strategic Pillars were shaped to align with values that reflect deeply held beliefs of the organizations that formed the partnership that came together to develop this plan. As shown through extensive public engagement over the past year, these beliefs also are widely held by many in the Tahoe region. These values emerged from public workshops, in-depth interviews, discussion groups, and numerous facilitated conversations with the core planning team.

These shared values are articulated as four Guiding Principles:

Collaboration and collective action are critical to the success of this destination stewardship plan and for the Tahoe region to thrive into the future.

As the Tahoe region’s primary economic engine, tourism must be nurtured and shaped to support the well-being of its communities, visitors, businesses, natural environment, and cultures.

It is everyone’s responsibility to safeguard and improve Lake Tahoe and its surrounding lands and forests.

To protect the quality of the Tahoe experience, it is vital to manage use while providing opportunities for all to enjoy it.
**Key Learnings**

*Through the extensive stakeholder outreach, the following consistent themes emerged:*  

Care for Tahoe's environment is the top priority for all stakeholders.  

While some believe the region would be better off with fewer tourists, many stakeholders, residents included, say Tahoe's tourism economy must remain vibrant and strong. Many believe the answer lies in better management of resources for tourism and recreation overall.  

Stakeholders are seeking substantive actions to address concerns, whether housing, transportation, parking, trash, or wildfire mitigation or evacuation measures. There is a sense that far too much time has been spent on planning and discussion and that immediate action is vital to solve increasingly urgent issues.  

True solutions lie in moving away from a patchwork of governmental policies and practices to create consistent approaches across the region.  

Many stakeholder groups – whether hotel and casino operators, ski areas, or outdoor outfitters say collaborative approaches that engage their entire sector in stewardship initiatives or practices would be most effective.  

Many stakeholders are opposed to making Tahoe a more exclusive, expensive destination for fewer visitors. There is much support for a Tahoe that is open, accessible and welcoming for all.  

Many stakeholders see a need for a stronger destination stewardship messaging campaign to raise awareness of how everyone can take better care of Tahoe.  

A formal land acknowledgement that the Tahoe Basin is the traditional lands of the Washoe people would be an important step in repairing a fractured relationship with the Tribe.

**Strategic Pillars**

The Shared Vision for Tahoe is built upon four Strategic Pillars. By acting on all four Strategic Pillars, the Shared Vision can be achieved. Within the plan, each of these Strategic Pillars encompasses a major goal along with objectives and priority action steps to achieve it.
**Strategic Pillar 1**

**Foster a Tourism Economy that Gives Back**

**Goal:** Foster a thriving tourism and recreation-based economy that visibly improves quality of life, addresses community priorities, and supports environmental stewardship.

Ultimately, Tahoe’s tourism and recreation-based economy must support, not harm, local communities or the environment. Smart investments are needed to support local businesses and recreation providers to create a strong workforce, pay living wages, provide housing, and foster an entrepreneurial ecosystem. Data about the economy can better illustrate how tourism and recreation support residents and businesses.

**Strategic Pillar 2**

**Turn a Shared Vision into Shared Action**

**Goal:** Establish a formal structure to steer the region’s destination stewardship agenda with a shared commitment to action, transparency, communication, and inclusion.

Implementing this plan will involve collaboration across the region in the form of a new Destination Stewardship Council. This partnership will coordinate and guide implementation of the actions in this plan to achieve the shared vision.

**Strategic Pillar 3**

**Advance a Culture of Caring for Tahoe**

**Goal:** Safeguard and improve Lake Tahoe and the region’s natural environment by enlisting all in taking responsibility to care for it.

The region needs to develop an ethos of taking care to ensure recreation doesn’t impact communities and the environment. This includes clearly stating expectations for visitors when using public lands including messaging, signage, and more.

**Strategic Pillar 4**

**Improve the Tahoe Experience for All**

**Goal:** Reduce peak demand impacts through resource management, improved infrastructure and enforcement, while continuing to create ways for all to enjoy and connect with the region.

Implementing and maintaining infrastructure to guide visitors to public lands can reduce impacts and provide high quality experiences. Infrastructure is also needed to address key issues heard from stakeholders including congestion, parking, and litter.
Starting Now: Immediate Term Actions

The Lake Tahoe Destination Stewardship Planning Team ("Core Team") – representatives of 17 organizations that contributed both financial resources and time to develop this plan – have prioritized the following actions to begin implementing the Destination Stewardship Plan. Establishment of a Destination Stewardship Council to direct implementation of actions in this plan is a critical first step.

1. Establish a Destination Stewardship Council

Transition the Core Team into a Destination Stewardship Council (the Council), identifying and engaging representatives from other stakeholder groups with shared interests.

a. Determine roles, responsibilities, and structures within the Council.

b. Create an executive committee to provide guidance for the Council.

c. Establish a charter outlining the scope of work, expectations, time commitment, term length, and other conditions for participation, including financial contribution.

d. Explore pathways to create a permanent Destination Stewardship Council structure, such as forming a public-sector entity or new organization.

2. Build Destination Stewardship Council Capacity

Contract staff resource(s) to manage the Destination Stewardship Council and coordinate with all stakeholders. This role will be tasked with establishing and managing the Council’s operational structure.

a. Coordinate communication among Council members.

b. Organize and facilitate Council meetings and activities.

c. Facilitate the Council’s development and implementation of funding strategies for priority actions and initiatives.

d. Coordinate the prioritization of actions, working groups, and work plans, while ensuring they complement existing regional efforts.

e. Council representatives will aim to join national and international destination exchange opportunities to engage in dialogue and learning to support ongoing identification of solutions.
3. Secure Funding and Other Resources

Secure funding for resources to manage the Destination Stewardship Council’s work and fund priority actions.

a. Establish a fiscal agent to handle administration of contributions.

b. Define budget and secure funding commitments from Destination Stewardship Council members to manage the Council’s work.

c. Assess long-term funding options from this Plan’s Funding Feasibility Study to manage Council operations and implement priority actions.

4. Establish Action Teams and Work Plans

Prioritize collaborative actions and create “Action Teams” (working groups) for implementation.

a. Base work plans on priorities identified in the Destination Stewardship Plan and Action Plan.

b. Evaluate priority actions against existing efforts to ensure that new actions add value and are not duplicative. The Optimal Value Framework documents existing efforts by category and may be used as a reference database.

c. Create Action Teams to tackle key areas of concern, including for example, Transportation & Parking, Litter & Waste, Peak Demand Management, Stewardship Messaging, Economic Engine, Governance, and Funding.

5. Develop and Deploy a Communication Strategy

Create a communication plan to inform the public about the Destination Stewardship Plan process, outcomes, and next steps.

a. Develop standard talking points for Council member organizations to communicate about goals, actions, and outcomes clearly and consistently.

b. Present the Plan to county commissioners, city council members, boards, and other representatives/constituents to seek widespread formal adoption of the Plan.

c. Design a comprehensive Plan launch campaign that engages tourism businesses, public-sector agencies, NGOs, and the wider community.

d. Establish an ongoing communication strategy and align communication about the Plan across stakeholder groups.

e. Establish a digital presence and tools to ensure transparency and easy access to information.

f. Continue to coordinate with the region’s public information officers to communicate destination stewardship efforts with all who experience Tahoe.
**Priority Actions**

In addition to the immediate term actions of establishing the Council, priority actions were identified for each strategic pillar. Whether in public listening sessions, group discussions, in-depth interviews or surveys, people who care about the future of the Tahoe region identified a collection of concerns requiring attention. Achieving satisfactory solutions will require both immediate and long-term actions. No one organization is responsible for implementing the following actions. It will take collaboration across the region to successfully implement the actions in this plan. The following table outlines all priority actions organized by strategic pillar.

<table>
<thead>
<tr>
<th>Strategic Pillar</th>
<th>Priority Actions</th>
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<tbody>
<tr>
<td><strong>Foster a Tourism Economy that Gives back</strong></td>
<td>Visibly express and explain to the community how tourism funds community priorities such as roads, transit, bike paths, housing, etc.</td>
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<tr>
<td></td>
<td>Ensure TOT (tax) and TTBID (self-assessed) dollars continue to fund destination organization efforts to support a healthy visitor economy through effective, responsible marketing and promotional activities.</td>
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<td></td>
<td>Develop strategies to recruit and retain a high-quality tourism and outdoor recreation workforce.</td>
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<td></td>
<td>Develop and implement strategies that create recreation and tourism jobs, invest in local businesses, and ensure that more Tahoe tourism revenue stays in the local economy.</td>
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<td></td>
<td>Encourage a more welcoming and friendly local vibe to increase positive visitor interactions.</td>
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<tr>
<td></td>
<td>Foster entrepreneurship and attract tourism and outdoor recreation businesses focused on supporting destination stewardship as outlined in the Envision Tahoe Prosperity Playbook (2022).</td>
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<tr>
<td></td>
<td>Prioritize attraction and development of events and experiences that embrace sustainable practices and adapt to changing climate, weather and systems.</td>
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<td></td>
<td>Support the efforts of tourism and outdoor recreation providers to upgrade and evolve offerings to attract desired visitation.</td>
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<tr>
<td><strong>Turn a Shared Vision into Shared Action</strong></td>
<td>Adopt a charter establishing a mission and guiding principles for participating organizations to partner in ongoing destination stewardship.</td>
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<td></td>
<td>Deploy near-term funding strategies to support the viability of the governance structure.</td>
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<td>Establish a governing structure with a board of directors and committees.</td>
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<tr>
<td></td>
<td>Determine and maintain optimal staffing to achieve stated mission and goals.</td>
</tr>
<tr>
<td>Strategic Pillar</td>
<td>Priority Actions</td>
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| **Advancing a Culture of Caring for Tahoe** | Create a shared brand for the governance structure and a brand toolkit guiding all partners in use of the brand.  
Invest in creation and widespread distribution of a unified, regionwide stewardship messaging campaign to drive desired behaviors.  
Review Take Care program’s suitability to fill this need and identify areas for improvement, amplification, new audiences and new promoters, etc.  
Identify strategies to educate visitors before arrival.  
Develop an in-market public information strategy to increase understanding of ways Tahoe’s visitor economy supports local quality of life.  
Maintain StewardshipTahoe.org and Stewardship Tahoe E-News as tools for connecting stakeholders with shared regional initiatives.  
Incorporate culturally diverse messaging into wayfinding, interpretive materials, programming, and trip planning resources.  
Commit to developing and sharing communications in English and Spanish to increase understanding and inclusion.  
Join in promoting the Eyes on the Lake program to rapidly detect invasions and prevent further spread.  
Work with Washoe Tribe to integrate the belief that life of the region flows from the lake into messaging for a Tahoe stewardship messaging campaign.  
Incentivize and celebrate community stewardship achievements and identify strategies for businesses to connect guests with environmental volunteering experiences. |
| **Improve the Tahoe Experience for All**       | Utilize the Lake Tahoe Recreation & Tourism Playbook (2021) as source for actions in the regional roadmap to reducing litter and improving waste management.  
Strengthen, integrate, and expand the Ambassador program(s).  
Prioritize litter enforcement on peak weekends and holidays.  
Prioritize installing bilingual litter signage at all recreation sites, especially site entrances and walk in locations  
Support and publicize opportunities to join Blue Crews, Clean Tahoe and other volunteer litter abatement programs.  
Continue to invest in expansion of micro transit solutions connecting communities and recreation sites.  
Support regular shuttle service and consider seasonal parking limitations or restrictions for highly visited overlooks and trailheads.  
Advance the regional initiative to create a Tahoe Basin Area Parking Enforcement Plan as a comprehensive strategy for managing and enforcing parking requirements.  
Develop and embrace an adaptive, time-sensitive strategy to manage demand and peak volume periods. |

**Conclusion**

As this plan was being drafted and before its publication, the newly formed Lake Tahoe Destination Stewardship Council hit the ground running by acting on initial priorities and rallying both new and existing members to contribute financial and human resources. Demonstrating Tahoe’s characteristic resilience, dedication, and strong penchant for collaboration, commitments to new funding were secured, existing programs were reinforced, and new initiatives were developed with an eye toward the shared vision for Tahoe. This is a work plan to keep teams on track and moving forward toward the shared goals of fostering a tourism economy that gives back, advancing a culture of caring, and improving the Tahoe experience for all.
The Lake Tahoe region, traditional territory of the Wašiw (Washoe) people, has been a magnet for visitors since before the turn of the 20th Century, but about 60 years ago, visitation began a steep climb. The region’s spectacular lake encircled by mountains and forests are the backdrop for its renowned outdoor setting, where opportunities for recreation and entertainment, and jaw-dropping beauty have drawn people from across the globe. Their presence profoundly impacts the region’s economy, the outdoor recreation experience, the natural environment, and the everyday life of people living in its many communities.

Approximately 86% of the region is public land. Lake Tahoe’s 72-mile shoreline is surrounded by peaks reaching up to 10,880 feet and it touches five counties and encompasses a multitude of distinct communities and one incorporated city, the City of South Lake Tahoe. This unique jurisdictional landscape is bound together by a bi-state compact between the States of California and Nevada. The sphere of influence for this plan stretch further to include the Town of Truckee and Nevada County, which are closely bound to the rest of the region.

The Tahoe Basin’s population registered about 54,000 residents plus 17,000 more in Truckee in the 2020 U.S. Census. Visitor numbers have been estimated at 15 million annually and new data compiled for this plan found that in 2022 a total of two million unique visitors spent close to 13 million visitor days in the region. An additional four million visitor days can be attributed to day visitors that have been defined as “untethered” – those that pass through or use trails and beaches without reserving or purchasing services. Thus, the total number of visitor days in 2022 was almost 17 million. To put this into perspective the region’s land mass is roughly one-third the size of Yosemite National Park, yet receives approximately three times the amount of visitation. According to a recent visitor use monitoring survey, the Lake Tahoe Basin Management Unit (LTBMU) received 9.5 million visits in 2015 and 5.9 million in 2020. The LTBMU is the second most visited forest unit in the nation, preceded only by the White River National Forest in Colorado which receives 13 million annual visits. The difference and steep contrast is that the White River National Forest comprises 2.3 million acres, while the LTBMU encompasses only 155,000 acres. This results in highly concentrated use at Lake Tahoe’s recreation sites and a strain on resources and infrastructure.

Like many outdoor recreation communities across the nation, and the world, the COVID-19 pandemic exacerbated challenges that were already on the rise pre-pandemic. People were flocking in higher numbers into nature (tourists and residents alike), short-term vacation home rentals were rising in popularity, and costs of living in these communities were rising rapidly – all worsening an existing workforce shortage. The Tahoe region was also experiencing perceived increases in traffic congestion, an abundance of illegally parked cars, and an increase in unwanted behaviors - contributing to increased litter in public spaces and sensitive environments, including in the lake itself. These issues were necessitating urgent action, and by all.

The economic benefits of tourism in the region are undeniable. In 2022, the direct spending of the Lake Tahoe tourism economy, including Truckee, was $4.5 billion, producing a total economic impact that exceeded $10 billion. The destination organizations in the region – including the Lake Tahoe Visitors Authority, Travel North Tahoe Nevada, the North Tahoe Community Alliance, and Visit Truckee-Tahoe recognize the power of harnessing the tourism economy for community benefits. They have each taken steps to broaden their mandates and focus on responsible marketing and destination management. They have initiated several programs to allocate Transient Occupancy Taxes (TOT) as well as create new Tourism Business Improvement Districts (TBID) to enable funding of community priorities including workforce housing and transportation. They were heeding the call to action and saw collaboration across sectors as a way forward.

The Tahoe region is no stranger to collaboration. The Tahoe Environment Improvement Program (EIP), has been a model for achieving goals together across sectors, with more than 80 organizations participating and is credited with major achievements, including stabilizing lake clarity...
and advancements in forest health. The Take Care program is another collaborative effort that provides resources for all organizations across the region to share messages about how to better take care of Tahoe. In 2018, a multi-sector working group of conservation and recreation professionals, private and nonprofit partners, and recreation stakeholders got together to start addressing recreation-specific impacts in a collaborative way, and called themselves the Tahoe Sustainable Recreation Collaborative. It was this group that catalyzed the destination stewardship planning process.

In February 2021 the Tahoe Sustainable Recreation Collaborative convened 65 representatives from 30 organizations throughout the Tahoe region to address the challenges that had become worsened by the pandemic. This meeting resulted in the decision to establish a shared vision for managing the region’s tourism and recreation economy for better outcomes – including to create the Lake Tahoe Destination Stewardship Plan. This group engaged and funded the work of a consulting consortium with global tourism expertise to lead the planning process. Led by the Center for Responsible Travel (CREST), the consulting consortium includes deep expertise in sustainable tourism, destination management and development, strategic planning, research, and financial feasibility.

Following the plan kickoff in February 2022, this multi-sector working group, known internally as the Core Team – grew to include 17 partner organizations that met monthly with the consulting team. Members now include units of government across all counties, all five destination organizations, the USDA Forest Service, environmental conservation and economic development organizations, and the Washoe Tribe’s development corporation.

Among the first steps at the outset in 2022 was to reach agreement on the purpose of the plan:

**Purpose Statement**

Lake Tahoe’s communities and economy are rooted in recreation and tourism, touching the lives of all who work, live, and play here. The region has come together to create a shared destination stewardship plan that will balance the needs of the environment, businesses, visitors, and local communities. This new shared strategy will inspire all to take care of Tahoe.

**A Shared Vision for Tahoe**

The primary outcome of this process was to establish a shared vision, one that could guide the implementation of actions into the future, and root all decisions in common values.

A robust and inclusive stakeholder engagement process was at the heart of the Lake Tahoe Destination Stewardship Plan and search for the shared vision. Over 1,100 residents participated in sentiment surveys, and more than 2,300 visitor survey responses were collected. Additionally, 300+ participants attended nine workshops, while 15 discussion groups made up of diverse community members with varying interests, engaged over 200 participants. Over the course of 15 months, the planning team met monthly with representatives of each participating organization to gather input, communicate
feedback, challenges, and constantly improve the plan. To gather even more insights, 31 one-to-one in-depth interviews were conducted with key stakeholders across the region. This comprehensive approach allowed for a wide range of community perspectives to be incorporated into the plan. The engagement process involved residents, business owners, public and third sector organizations, and representatives from various tourism sectors. These stakeholders came together with a shared sense of urgency and purpose, recognizing the need to address the pressing issues faced by the region. Their input and insights have been invaluable in identifying the key priorities and formulating the actions outlined in the plan – and led to the creation of the shared vision.

Throughout the engagement process, and during the identification of the key elements of the vision, a set of shared values emerged that reflect deeply held beliefs in the community. These values are shared by the organizations that formed the partnership that came together to develop this plan and were evident in public workshops, in-depth interviews, and discussion groups. These shared values are articulated as four guiding principles that ultimately shape the plan’s goals and objectives.

### Guiding Principles

1. **Collaboration and collective action are critical to the success of this destination stewardship plan and for the Tahoe region to thrive into the future.**

2. **As the Tahoe region’s primary economic engine, tourism must be nurtured and shaped to support the wellbeing of its communities, visitors, businesses, natural environment, and cultures.**

3. **It is everyone’s responsibility to safeguard and improve Lake Tahoe and its surrounding lands and forests.**

4. **To protect the quality of the Tahoe experience, it is vital to manage use while providing opportunities for all to enjoy it.**

By embracing these guiding principles, the Lake Tahoe Destination Stewardship Plan aims to promote, practice, and manage tourism so that residents and visitors alike can enjoy the unique qualities that make Lake Tahoe an exceptional place to live, work, and play.
The Plan Framework

The stakeholder engagement process identified key issues that need to be addressed to ensure the Lake Tahoe region flourishes into the future. These issues include environmental protection, housing and transportation, peak demand management, and community engagement. To address these key issues, the Lake Tahoe Destination Stewardship Plan is organized by a set of strategic pillars with goals, objectives and a series of priority actions, which have been developed in collaboration with stakeholders. These actions are designed to support the achievement of the plan’s vision and guiding principles.

In addition to the stakeholder engagement processes, multiple research and analysis components were undertaken which provide the foundation for understanding the complexity of these challenges and the need for coordinated management of all aspects of the destination.

Flowing from the purpose, the stakeholder engagement process was designed to balance a wide range of community members and diverse perspectives. Its results, along with the situation analysis and scenario planning exercises, resulted in the shared vision of a “Balanced Tahoe.” A further analysis of impacts, risks and opportunities was conducted which combined with all other analyses led to the prioritization of issues and establishment of the strategic pillars, goals and objectives. Actions to achieve these objectives were generated from the analyses and stakeholder engagement opportunities, and informed by best practices and expertise of all members of the planning team.

Research and Model Inputs

Situation Analysis

The Situation Analysis is based on an extensive review of existing plans, reports, and research as well as new research conducted for this planning work. It also includes a review of local and global trends affecting tourism and results of the resident and visitor studies. As part of the situational analysis, the Tourism Impact Model developed for this plan yielded new insights into the value of Tahoe’s tourism and recreation economy, as well as a deeper understanding of its visitor flow.

Stakeholder Engagement Summary

To ensure that the voices of the Tahoe region were heard and honored, the planning process provided a rich array of ways for locals to weigh in. Collectively, public engagement sessions, discussion groups, in-depth interviews and a resident survey gave more than 3,950 Tahoe area residents and visitors a chance to share direct input into this plan.

Scenario Planning and Economic Impact Model

The Scenario Planning and Economic Impact Model and report outlines a process to identify a desired state for tourism through consideration of various planning scenarios. Those attending the October 2022 engagement sessions were asked to weigh in on three possible scenarios for ways Tahoe tourism could unfold in the future. Findings were used to generate the “Balanced Tahoe” scenario, which deeply informs the recommendations of this plan.

Planning Process Flow
Each potential scenario was also evaluated for how it would contribute to the region’s tourism economy, using the Tourism Impact Model developed by SMG Consulting and Triple Point Strategic Consulting. Using more than 50 parameters to forecast economic impacts from each scenario, the model demonstrated the business case for a balanced scenario. It affirmed that stewardship strategies to manage growth can deliver higher revenue than “unlimited growth,” due to generating better experiences for visitors and broader benefits for community and environment.

**Optimal Value Framework**
The Optimal Value Framework is a destination analysis approach developed by the Travel Foundation to identify stakeholder priorities and analyze challenges and performance across social, cultural, economic, and governance impact areas. The result highlights nine areas of risk and high priority for action around environmental and social challenges. It also yielded a set of recommended actions (which inform the destination stewardship action plan) and outlines destination examples for inspiration. Finally, the process culminated in a set of thresholds, early warning signals, and monitoring indicators for Tahoe’s destination stewardship council to use as an ongoing tool to manage progress toward a more balanced and optimal tourism reality.

**Funding Strategy**
The Funding Feasibility Study, developed by Civitas, points to potential funding mechanisms for implementing destination stewardship priorities. It provides insight into ways to finance short-, and long-term planning strategies. It also describes administrative requirements and sheds light on how ongoing collaboration could be structured.

The key findings from these processes, detailed in the next section of the plan, shaped the shared vision, strategic pillars that support it, and the strategies and actions needed to achieve it.
Key Findings

Situation Analysis Summary

The Lake Tahoe Region has been a magnet for visitors since the turn of the 20th century, but about 60 years ago visitation began a steep climb. The region’s renowned outdoor setting, opportunities for recreation and entertainment, longstanding casinos, and jaw-dropping beauty have drawn people from across the globe. Their presence profoundly impacts the region’s economy, the outdoor recreation experience, the natural environment, and the everyday life of its many communities.

Tahoe is a place of steep contrasts. The sharp bend that divides the states of California and Nevada cuts through Lake Tahoe’s crystalline waters. With a floor dipping 1,645 feet below its surface, it’s the second deepest lake in the U.S. and the third deepest in North America. It is recognized nationally and globally as a natural resource of special significance, and the lake is designated an “Outstanding National Resource Water” under the Clean Water Act. Its basin encompasses 205,000 acres and primarily managed by the United States Forest Service, Lake Tahoe Basin Management Unit (LTBMU), which celebrates its 50th anniversary in 2023. Approximately 86% of the region is public land. Lake Tahoe’s 72-mile shoreline is surrounded by peaks reaching up to 10,880 feet and it touches five counties and encompasses a multitude of distinct communities and just one incorporated city, the City of South Lake Tahoe. This unique jurisdictional landscape is bound together by a bi-state compact between the States of California and Nevada. The sphere of influence for this analysis stretches further to include the Town of Truckee and Nevada County, whose fortunes and interests are closely intertwined with the rest of the region.

New data compiled for this plan, in the form of the Tourism Impact Model (TIM), finds that in 2022, two million unique tourists collectively spent almost 13 million visitor days in the region. The number that people have been citing has typically been “15 million visitors.” Using the word visitors is a misnomer because it is not total visitors - it is the total amount of days spent in the region. For example, if a family of four visits for an average of three days, two times per year, they contribute 24 visitor days to that total. It’s important that we differentiate between unique visitors and visitor days because in order to manage people, it’s essential to know how many unique people this number represents, and to tailor management strategies accordingly. Over four million more visitor days in 2022 were made by those just passing through in a vehicle or using the trails and beaches without reserving or purchasing services. We call these “untethered” day visitors. These are harder to reach but still have impacts, and therefore new strategies to reach them and manage them need to be employed. Thus, the total number of visitor days to the region (including Truckee) in 2022 was almost 17 million, but the total visitor days that are considered contributors to the economy are closer to 13 million. To put this into perspective the region’s land mass is roughly one-third the size of Yosemite National Park, yet receives approximately three times the amount of visitation. According to a recent visitor use monitoring survey, the Lake Tahoe Basin Management Unit (LTBMU) received 9.5 million visits in 2015 and 5.9 million visits in 2020. The LTBMU is the second most visited forest unit in the nation, preceded only by the White River National Forest in Colorado which receives 13 million annual visits. The difference and steep contrast is that the White River National Forest comprises 2.3 million acres, while the LTBMU encompasses only 155,000 acres. This results in highly concentrated use at Lake Tahoe’s recreation sites and a strain on resources and infrastructure.

The Tahoe Basin’s population began to rise in 2019, registering about 54,000 residents plus 17,000 more in Truckee in the 2020 U.S. Census. Though its population has continued to shift, it’s clear that residents remained far outnumbered in 2022 by the approximately two million unique tourists who visited in that year. But as crowded as the Basin felt that year, visitation was even higher during 2019, when the region recorded a record 14.2 million tourist visitor days and upwards of 4.5 million untethered visitor days. The COVID-19 pandemic briefly interrupted the growth trend, with 2020 visitation plummeting approximately 30% to 13.1 million visitor days from the highs of 2019.

By the end of 2021, Tahoe was feeling many of the same tourism trends seen across the national - and international - landscape. The region’s hotels, including its casino hotels, were still operating below 2019 levels, and while average room rates had increased, workforce shortages plagued the sector. Vacation home rentals (VHRs) were on the rise in popularity, and generating more overall visitor spending than in 2019. Meanwhile, the region was experiencing perceived increases in traffic congestion, an abundance of illegally parked cars, and an increase in unwanted visitor behaviors - contributing to increased litter in outdoor spaces.

Tourism typically is seen as the culprit, but it is important to recognize that the pandemic fostered and accelerated new trends that added to Tahoe’s congestion. New permanent residents added to the daily mix of people who were traveling Tahoe’s roads and enjoying its wondrous outdoor amenities. Abundant anecdotal evidence indicates their numbers continued to swell during 2020 and 2021 as people nationwide found freedom to relocate their lives and personal workspaces to places they wanted to be. At the same time, Tahoe workers...
displaced by rising housing costs moved out of the Basin, adding more commuters to Tahoe's mostly two-lane road system. On top of this, new waves of people sought release in the outdoors, including many who were finding their way to the outdoors without much prior experience, training, or sensitivity to their impacts on the environment.

While 2022 occupancy rates remained below the highs of 2019, average daily room rates climbed higher, yielding strong returns for the region's Transient Occupancy Tax (TOT) revenues – even though some properties were unable to operate at full capacity due to lack of workforce.

As we began 2023, Tahoe appeared to be feeling the falloff in visitation experienced by other western outdoors destinations. With travel restrictions lifted, waves of U.S. travelers turned to international experiences in 2022, even as inflationary pressures, especially for gasoline, kept many others at or near home.

A Changed Landscape
The proliferation of visitation and recreational use in Tahoe is attributed to the rise of outdoor recreation and the region's close proximity (i.e. driving distance) to urban mega regions like San Francisco, Sacramento, and Reno. Additionally, external pressures such as climate change add to the allure of Lake Tahoe as a refuge. For example, when the nearby central valley of California experiences intense heat waves, the region experiences increases of both day and overnight visitation. The increasing attraction to Lake Tahoe aligns with national trends. According to the Outdoor Foundation, 164.2 million Americans 6 and older (54% of the population) participated in outdoor recreation activities at least once in 2021, highest on record. Public interest in visiting outdoor-oriented destinations has increased 42% in the last few years.

Outdoor recreation and tourism are increasingly becoming a highly important and influential sector in Tahoe's economy both nationally and at a local level. According to the U.S. Department of Commerce's Bureau of Economic Analysis (BEA), outdoor recreation generates $862 billion in economic output and 4.5 million jobs nationwide. This means the outdoor recreation economy contributes more to the U.S. economy than oil and gas extraction, mining, and agriculture. In Tahoe, outdoor recreation and tourism accounts for an estimated 62% of the Basin's economic output, up from about 40% in 2010.

The economic benefits of tourism are undeniable. In 2022, the direct spending of the Lake Tahoe tourism economy, including Truckee, was $4.5 billion, producing a total economic impact that exceeded $10 billion. The size of this tourism engine is on par with the entire annual revenues of companies like Royal Caribbean ($4.68 billion) or Urban Outfitters ($4.69 billion). While there is interest in diversifying Tahoe's economy, the magnitude of the economic contribution from tourism and the inherent draw of the Lake and its natural surroundings makes it highly unlikely that the visitor economy could be replaced as the region's primary economic engine.

Through its development, Tahoe has seen a shift from a tourism economy heavily focused on gaming and skiing, to one with a wide-variety of outdoor recreation activities. Combined with the introduction of tribal gaming in California, this shift exemplifies the dynamic and constantly evolving nature of tourism in the Tahoe region. The greater emphasis on outdoor recreation provides both opportunity and challenge for stewarding tourism in a way that protects Tahoe's natural and cultural assets, while also catering to new tourism demands.

To safeguard the Tahoe experience for all, there is a growing belief that Tahoe must reshape its vital visitor economy by embracing new mindsets, further cultivating a culture of caring for nature, and evolving management practices. For Tahoe, the opportunity lies in understanding the dynamics of visitation and community, charting a path to optimize the benefits of tourism and recreation, and minimizing its negative impact on the environment and quality of life for Tahoe's communities.

Moving Forward
Insights gathered from visitors and residents point to promising opportunities and a willingness to embrace creative solutions for addressing the region's challenges.

The July 2022 Visitor Survey (conducted for the plan) of 2,343 consumers that signaled interest in visiting the Tahoe Region included the following key findings:

Approximately 88% indicated a destination's support of environmental sustainability and stewardship is at least somewhat important to their choice of that destination.

About 82% say they do their part to keep a destination clean when they visit.
A total of 71% believe they are mindful and respectful of the natural environment.

Nearly 42% said the Tahoe Region is doing an excellent job of safeguarding its natural resources, a far higher rating than given to 10 other Western destinations, including Monterey, Sonoma and Napa Valleys in California; Bend, Oregon; and Jackson Hole, Wyoming.

Responses from 1,040 respondents to the 2022 Resident Survey show Tahoe area residents generally understand the importance of tourism and outdoor recreation to their local economy. However, very few are seeing how tourism contributes to their quality of life.

Only 21% of residents agree that tourism and recreation support quality of life and a strong sense of community.

Only 29% of residents agree that the positive benefits of tourism and recreation in the Tahoe region outweigh the negative impacts.

A New Perspective and Opportunity

Tahoe is a special destination with a vibrant community. Safeguarding the unique experience Tahoe provides to those who live and play here requires an urgent, cross-jurisdictional regional commitment to shared action and stewardship. The complex nature of Tahoe’s challenges can be met with an approach centered on environmental stewardship and a unified visitor management strategy. However, without collaborative action to better manage visitors in high use areas, the issues Tahoe faces related to litter, disrespectful visitor behaviors, congestion, and the seasonal boom/bust nature of business cycles, may continue to worsen.

To enhance the quality of life for local communities and improve the Tahoe experience, changemakers sit at the forefront of a golden opportunity for meaningful change. The full Situation Analysis can be found in Appendix B.

Stakeholder Engagement Summary

By its nature, destination stewardship requires active community engagement. To ensure that the voices of the Tahoe region were heard and honored, the planning process provided a rich array of ways for locals to weigh in. Collectively, public engagement sessions, discussion groups, in-depth interviews and a resident survey gave more than 3,950 Tahoe area residents and visitors a chance to share direct input into this plan.

Passion for the local environment infuses every conversation about the region’s future, whether among hoteliers and casino operators, arts and culture advocates, outdoor recreation outfitters, or members of the Washoe Tribe. There also is a deep awareness that the region’s economic engine draws its strength primarily from its millions of visitors. In considering alternatives for the future, many point to a vital need to keep the tourism turbine turning.

Stakeholder Engagement Summary

About 1,100 took part in a resident survey shared during fall 2022. Both English and Spanish versions were provided, although the Spanish version drew little response. Findings have a 95% confidence level at 95% +/-3%.

About 2,300 visitors to the Tahoe region participated in a survey about previous experiences when visiting the region. Findings have a 95% confidence level at 95% +/-2.5%.

About 260 took part in two rounds of public visioning workshops. Each set of workshops was held in four locations around the lake, with two on the North Shore and two on the South Shore (plus one virtual session). May workshops focused on gathering resident input to set the direction of the planning process, while October workshops secured resident input into potential planning scenarios.

More than 200 joined in 15 facilitated discussion groups centering on a wide range of tourism and outdoor recreation-related topics, such as Hotels & Casinos, Workforce Development, Transportation & Emergency Services, and Major Ski Areas. Meetings were also held with the Washoe Tribe. Spanish-language sessions were arranged with community members on both the North and South Shores.

About 30, including the state travel directors for both California and Nevada, participated in in-depth interviews. About half were conducted confidentially to allow interviewees to speak frankly about issues facing Tahoe and what they saw as potential solutions.

Throughout the process, Tahoe area residents were invited to visit an information hub, StewardshipTahoe.org, to register for public engagement events, sign up for an e-newsletter called Stewardship Tahoe News, and stay abreast of findings.
**Key Takeaways from Stakeholder Inputs**

The health, clarity, and water quality of Lake Tahoe and the surrounding forest are top priorities for all stakeholders.

While some believe the region would be better off with fewer tourists, many stakeholders, residents included, say Tahoe's tourism economy must remain vibrant and strong. Many believe the answer lies in better management of resources for tourism and recreation overall.

Stakeholders are seeking substantive actions to address concerns, whether housing, transportation, parking, trash, or wildfire mitigation or evacuation measures. There is a sense that far too much time has been spent on planning and discussion and that immediate action is vital to solve increasingly urgent issues.

Short-term wins could be achieved through immediate action to mitigate a relatively narrow set of issues. The Resident Survey showed that locals' top priority for local government was increased enforcement of litter regulations. More frequent trash pickups and stricter parking enforcement also were high on the list.

Wildfire is seen as a growing existential threat to the Tahoe region's way of life. Many believe urgent attention is needed to facilitate wildfire evacuation communications and to manage forest health and neighborhoods to mitigate risks.

The need for more housing that aligns with local incomes was raised in one context after another. Many believe that short-term solutions can and must be addressed to address a crisis that threatens communities and is undermining the availability of workforce throughout the region. A related concern is lack of childcare services.

True solutions lie in moving away from a patchwork of governmental policies and practices to create consistent approaches across the region. A regional approach to parking could include consistent policies, signage, fines, enforcement, even reservation systems across the Basin. A regional strategy to mitigate impacts of trash could include a comprehensive, consistent system for trash collection, fines, enforcement, and even branded trash cans and dumpsters across the region.

Many stakeholder groups – whether hotel and casino operators, ski areas, or outdoor outfitters say collaborative approaches that engage their entire sector in stewardship initiatives or practices would be most effective.

Many operators, especially the hotel sector, see opportunities for engaging their workforces in destination stewardship.

Expanding the Basin's broadband capabilities could enable technology-based solutions, while supporting opportunities to diversify the region's economy.

Many stakeholders are opposed to making Tahoe a more exclusive, expensive destination for fewer visitors. There is much support for a Tahoe that is open, accessible and welcoming for all.

Public land managers believe it is important to determine the optimal capacity for the Basin's high-visitiation areas to guide better practices for wildlife and natural resource management and create better experiences for humans.

There is a persistent belief across many stakeholder groups that day visitors are the chief source of many problems.

Full-time residents are lukewarm on strategies to disperse travelers to less busy times of the year or week or to less-busy parts of the region.

Many stakeholders see a need for a stronger destination stewardship messaging campaign to raise awareness of how everyone can take better care of Tahoe.

Steps to reduce the supply of vacation home rentals may have unintended consequences for businesses that rely on younger, family travelers.

Spanish-speaking community members point to a need for more bilingual communication. Though 30-50 percent of some communities have Spanish-speaking populations, communications often are produced only in English.

A formal land acknowledgement that the Tahoe Basin is the traditional lands of the Washoe people would be an important step in repairing a fractured relationship with the Tribe.
These touchpoints with full-time and seasonal residents, business operators, and community and government leaders provided a rich range of perspectives to inform the shared vision and the construction of a plan focused on taking care of Tahoe.

The full Stakeholder Engagement Report can be found in Appendix C.

Scenario Planning and Economic Modeling
Overview
The Scenario Planning and Economic Impact Model is a process to inform a desired state for tourism through consideration of various planning scenarios. Those attending the October engagement sessions were asked to weigh in on three possible scenarios for ways Tahoe tourism could unfold in the future. Findings were used to generate a fourth scenario, “Balanced Tahoe”, which deeply informs the recommendations of this plan.

What are the benefits of scenario planning and economic modeling?
To help manage impacts of significant change within the planning region.
To develop a common framework for envisioning a more desirable future.
To help manage uncertainty in dynamics that may impact the region.

Each potential scenario was also evaluated for how it would contribute to the region's tourism economy, using the Tourism Impact Model developed by SMG Consulting and Triple Point Strategic Consulting. Using more than 50 parameters to forecast economic impacts from each scenario, the model demonstrated the business case for a balanced scenario. It affirmed that stewardship strategies to manage growth can deliver higher revenue than pursuing unlimited growth, due to generating better experiences for visitors and broader benefits for community and environment.

This planning process incorporated this approach to destination scenario planning and economic modeling to identify a future direction that best meets the needs and wishes of the community. This approach builds credibility for the vision and goals outlined in this plan by harnessing the creativity of local stakeholders and using their perspectives to guide the planning direction.

Scenario Development
Initially, three scenarios were designed to illustrate how the Lake Tahoe region's tourism economy could be influenced and shaped. These included: 1) Growth, 2) Higher-Yield, and 3) Values-Based. Based on response to these possibilities, a fourth scenario was developed – the Balanced Tourism Scenario, which is recommended.

The first three scenarios were shared in public workshops in October 2022. Attendees were asked to consider their pros and cons for the economy, environment, and community. Because the Growth scenario did not incorporate sustainable policies, stakeholders believed it ultimately would harm Tahoe over the long run. The Higher Yield Scenario sought to manage demand by driving higher revenues from fewer visitors, while the Values-Based Scenario would focus on attracting travelers who share the community’s priorities around stewardship. Many stakeholders rejected a Higher-Yield approach that could make Tahoe more exclusive and were skeptical that focusing on a Values-Based approach would yield enough revenue to support the local economy. Scenario Planning and utilization of the Economic Impact Model help Tahoe area community members and destination stewardship partners to act intentionally to help form a positive future, rather than reacting to changes that may unfold of their own accord, such as “un-managed growth”.

Scenario 4: The Tahoe Region Balanced Scenario
The Balanced Tourism Scenario blended what community members liked most about each of the first three scenarios. This scenario recognizes that tourism and recreation are the foundation of Tahoe’s economy. It aims to strike a balance of supporting local businesses and the economy while contributing to community vitality and environmental stewardship. Its advantages included:

Moderate growth: Residents recognized the importance of maintaining economic growth and the benefits it brings.

Visitor Access: Residents prefer positioning Tahoe as a destination for people from all walks of life.

<table>
<thead>
<tr>
<th>#1 The Growth Scenario</th>
<th>#2 The Higher-Yield Scenario</th>
<th>#3 The Values-Based Scenario</th>
<th>#4 The Balance Scenario</th>
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<tr>
<td>Drive continued growth in visitor volume.</td>
<td>Drive higher revenues from visitors.</td>
<td>Drive strategies based on priorities and values of the community.</td>
<td>Moderate, but steady, growth that aligns priorities and values of the community.</td>
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Values alignment: Residents support attracting visitors who share local values around protecting the environment and minimizing impacts on local communities.

Characteristics of a Balanced Tourism Economy

Strategy: Moderate, but steady growth in a tourism economy that aligns with priorities and values of the community. Visitor volumes can be managed with sensible reservation systems and other tactics to manage peak demand.

Visitor Mix: Direct marketing strategies to target categories of visitors who signal interest in caring for natural resources and sustainable practices but ensure that messaging expresses a welcome to all.

Management: Future development of amenities, activities, lodging, etc., focuses on maximizing positive impacts and minimizing negative impacts. Requires managing increased volume, including dispersing visitors to less busy times or places.

Implications for Community: Alignment with community priorities may create a more welcoming environment for visitors and improve resident satisfaction. May ease pressures of increased visitor volumes. May lead to higher pricing during peak times.

Environmental Impacts: Reducing and managing tourism impacts, improving visitor behaviors, and advancing a more sustainable supply chain may reduce environmental impacts.

The full Economic Modeling and Scenario Planning Report can be found in Appendix D.

Optimal Value Framework

The Travel Foundation’s Optimal Value Framework (OVF) is a strategic approach that can be used to help destination stakeholders work together to understand and optimize the value of tourism for their community. It is a tool for bringing together different interests – residents, businesses, public and third sector organizations – on more balanced measures of success. It’s also a way to prioritize top impact areas for attention and resourcing. The framework helps identify the strategic levers that increase the benefits of tourism in the destination and minimize the cost or negative impacts of tourism to the destination.

The values (positive and negative) that we take into consideration include

Economical value: revenue generation, employment and how residents and local entrepreneurs in the destinations are benefiting from tourism.

Cultural value: conservation of built heritage, intangibles such as original stories, wisdom sharing, customs and beliefs, traditional lifestyles.

Environmental value: preservation of natural resources, biodiversity, climate.

Societal value: improving the quality of life, housing, access to facilities, health and well-being, diversity, equity & inclusion.

Individual or Mental value: health, wellbeing, wellness, opportunities for rest and recharging vs feelings of being overwhelmed, burnout, etc.

Ultimately ‘value’ is subjective and therefore depends upon the views and perceptions of the community. The goal is to help stakeholders think through which impact areas (both positive and negative) are most important to be managed and in which to demonstrate good performance, so that tourism can become as net-positive for as much of the broader community and environment as possible. It results in a set of recommended actions for achieving balance in the destination, which are incorporated into broader planning efforts (in this case, into the Lake Tahoe Destination Stewardship Action Plan), and provides indicators for a destination to use as a monitoring tool.

Stakeholder Perspectives

Through engagement activities at public workshops and in resident surveys, we asked stakeholders what they value and what should be prioritized. In general, environmental priorities came out on top, quickly followed by social priorities particularly around how tourism impacts quality of life and access due to cost of living increases and volumes of users of amenities and recreation sites at peak times.

Stakeholder engagement informed our conclusions about stakeholder priorities and resulting recommended actions and monitoring indicators.

The Framework & Analysis

The Optimal Value Framework is based on a set of impact areas with attached value statements on which to base an analysis to understand how well a destination is optimizing tourism’s value currently. By analyzing available data, the framework can tell us how in balance, or out of balance the destination is and point to opportunities for shifts.

The Impact Framework used includes 24 impact areas mapped to the Future of Tourism Guiding Principles. The impact areas fall under the categories of Economic Impacts, Environmental Impacts, Socio-Cultural Impacts, Tourism Product, and Governance. Each was reviewed according to significant

^1 https://www.futureoftourism.org/guiding-principles
challenges being faced, the efforts to address challenges to date, the priority level for future action based on risk and stakeholder consultations, gaps and opportunities for future action, and global destination best practice examples.

**Summary of Findings**

The review indicates tourism’s impact in Tahoe and the extent to which Tahoe is achieving the optimal scenario in these areas. It indicates that Tahoe is out of balance in several areas, where Tahoe faces heightened risk, associated with outsized impacts as well as climate-related threats, and there are shortfalls that impact the economy, satisfaction, and wellbeing of the communities. These overarching themes are connected to the greatest concerns revealed by the stakeholder consultations.

Under Environmental impacts, there are multiple threats but the main risks here are related to litter & waste, climate change impacts, wildfire, and water quality.

Under Societal impacts, there is waning resident satisfaction related to the access theme - higher cost of living and perception of overcrowding, congestion, and disrespectful behaviors impeding quality of life.

Under Economic impacts, the major risks identified here are around the labor shortage and inability to service the tourism economy (and beyond) as well as the dependence on an increasingly unstable climate.

Destination governance and funding are also highlighted due to risk associated with inability to fulfill funding needs to implement destination stewardship priorities.

To illustrate a destination’s current situation regarding balance, we turn to the “Doughnut Destination” model developed by Stefan Hartman and Jasper Hessel Heslinga in 2022. The model shows a “safe space” when the foundation of a place is not jeopardized by either overshoots or shortfalls in tourism. Beyond the ceiling or limits are impacts experienced when tourism is not in balance. The Travel Foundation applied our analysis conclusions for Tahoe to this model to help visualize the current overshoots and shortfalls, and help identify limits and thresholds. It shows that not just one factor is responsible for putting things out of balance. It is also important to note that the resulting overshoots are based on stakeholder priority and future risk, and are not a reflection of effectiveness of current programs or plans, only that they are areas to prioritize for achieving a more optimal situation. “The Tahoe Destination Donut” is visualized below.

**Monitoring Indicators, Thresholds, and Limits for Tahoe**

The full report provides a set of potential indicators, for main priority impact areas, for Tahoe to use to monitor progress toward achieving this optimal situation and maintaining balance. There are also thresholds, or early warning signals, and limits, or emergency signals, that can be used for monitoring and for thinking through consequences of inaction in certain high-risk areas. Some of these are dependent on the decision to implement a new program, and may be considered for adoption in the longer term.

A summary of destination indicators by priority impact area is provided in the Appendix E: Optimal Value Framework Report.
Strategic Pillars and Objectives

The Shared Vision for Tahoe is built upon four Strategic Pillars. By acting on all four Strategic Pillars, the Shared Vision can be achieved. Within the plan, each of these Strategic Pillars encompasses a major goal along with objectives and priority action steps to achieve it.

**Strategic Pillar 1**

**Foster a Tourism Economy that Gives Back**

*Goal:* Foster a thriving tourism and recreation-based economy that visibly improves quality of life, addresses community priorities, and supports environmental stewardship.

Rising impacts of tourism and recreation in recent years have triggered much dissatisfaction among residents with the Tahoe region’s primary economic driver. Yet if this vital segment of the economy falls into decline, the region’s quality of life stands to decline as well. By ensuring that its tourism economy remains strong and balanced – and taking steps to mitigate and manage impacts of visitation – the Tahoe region can prosper from an economic force that can help address top priorities and deliver recognizable benefits for its communities.

Today, tourism and recreation are by far the biggest generators of paychecks, business earnings, and tax revenues in the Tahoe region. To provide one example from the region, the North Tahoe Community Alliance (NTCA) notes tourism represents a $1.1 billion economy in eastern Placer County alone. That activity generates about $21 million in Transient Occupancy Tax (TOT) revenue annually. Since late 2021, eastern Placer County also has been generating an additional $6 million from a new Tourism Business Improvement District (TBID), managed by the NTCA. The new TBID revenue stream replaces previous TOT funds with new tourism-generated revenue, which, along with the freed up TOT, is funding important local priorities, including workforce housing, transportation, and sustainable tourism measures which have been adopted by both the Placer County Board of Supervisors and NTCA Board of Directors alike.

This is a prime example of how the Tahoe region can harness the power of its tourism and recreation economy to deliver important benefits for residents and communities. This example also underscores the importance of advancing the vitality of Tahoe’s tourism economy. This starts with assuring ongoing community support for the region’s destination organizations, which are charged with developing strategies that balance a healthy tourism economy with community wellbeing and environmental protection. It also means continually improving the Tahoe experience to meet everyone’s expectations, whether by supporting redevelopment of outdated tourism infrastructure or advancing new recreation offerings to maintain Tahoe’s competitive edge.

The Tourism Impact Model developed for this plan demonstrates a business case for a Tahoe tourism economy that grows in productive ways, mitigates and manages impacts to resident quality of life, and achieves accessibility and inclusion for a broad range of people. Anticipated net revenues from a balanced approach to tourism are higher than from a purely growth-focused scenario because unchecked growth leads to challenges that degrade the experience and create additional costs over time. This vision aligns with the results of the year-long process to develop an economic strategy for Tahoe, the Envision Tahoe Prosperity Playbook (2022), which points to actions that will increase opportunities and resilience, as well as ensure that tourism revenues are prioritized toward community investments. While creating a sustainable tourism economy is critical, there must also be support for broad economic diversification to build economic resiliency when national factors, such as recession, outside of the region’s control impact tourism.

Many Tahoe organizations and businesses already are supporting visitor experiences that yield significant benefits for local communities, but oftentimes these benefits are overlooked or not well understood. The North Shore’s TART Connect microtransit system, supported in part by TOT taxes, was created to reduce traffic congestion by providing visitors with a convenient alternative to using a personal vehicle. It turns out, however, that nearly 80 percent of the ridership is from locals, and a service partly funded by overnight visitors became a significant new community benefit. South Shore’s microtransit, Lake Link, has realized similar success in its first year of operations, in addition to Truckee’s TART Connect, funded by a TBID.

The Tahoe Blue Event Center is another example of intentional investment in more sustainable tourism. By focusing on non-seasonal dependent events, sporting events, conventions, conferences, and business meetings the event center will attract a different type of visitor that spends more money in the economy and mitigate visitation impacts, such as inclusion of a ticket fee to fund Lake Link.

The housing crisis is a compounding issue that threatens the vitality of Tahoe’s tourism economy. Without adequate and affordable housing for the tourism workforce, public services, or local businesses, housing challenges in Tahoe pose obstacles to maintaining a stable resident population. There are a multitude of efforts ongoing in Tahoe and Truckee working toward solving the housing crisis, and the Prosperity Playbook outlines initiatives, players, and recommended creative tools that can move the dial while still being supportive of sustainable development and environmental protection. Through TRPA’s
Achievable Housing Plan and Tahoe Living Community Revitalization Working Group established in 2020, there has been input toward myriad of actions moving in the right direction and it is incumbent upon the destination stewardship partners to advocate for, and support, the innovative and creative solutions that can be moved forward as rapidly as possible. Already there is movement toward the use of TOT dollars to fund housing programs in North Lake Tahoe such as the workforce housing preservation program, and in South Lake Tahoe and Truckee, such as Lease to Locals.

A balanced tourism economy relies on a strong workforce to adequately staff the region’s businesses and recreation providers. Increasing available workforce housing is critical to supporting the needed workforce. As the country struggles with hiring workers, especially for seasonal and lower wage jobs, there is a need to develop strategies to recruit and retain a high-quality workforce to support the local outdoor recreation and tourism economy.

Finally, in alignment with the Envision Tahoe Prosperity Playbook (2022), the growing outdoor recreation entrepreneurship ecosystem in Tahoe needs to be supported. Creation of businesses in the outdoor guiding, activity, design, and manufacturing spaces can create jobs, tax revenue, and support the actions in this plan.

By shaping tourism initiatives and outcomes aimed at benefiting local communities – and taking steps to increase resident understanding of how they benefit – the Tahoe region can create conditions for a more vital tourism economy that delivers value and improves quality of life.

**Objectives**

Support the vitality of Tahoe’s primary economic engine (tourism and recreation) to deliver long-term economic, social, and environmental benefits throughout the region.

Ensure that major community priorities – such as housing, transportation, and improving natural assets – draw support from the visitor economy.

Support development of new experiences and entrepreneurship opportunities that align with destination stewardship goals.

Prioritize actions to advance improvement and redevelopment of the Tahoe region’s assets and infrastructure.

Advance local understanding of how Tahoe’s tourism and recreation economy creates tangible benefits for its host communities.

Develop strategies to recruit and retain a high-quality workforce.

**Strategic Pillar 2**

**Turn a Shared Vision into Shared Action**

**Goal:** Establish a formal structure to steer the region’s destination stewardship agenda with a shared commitment to action, transparency, communication, and inclusion.

Many organizations have already created programs to improve the Tahoe region, including the Lake Tahoe Environmental Improvement Program (EIP) and numerous NGOs as well as the Bi-State Compact that created the Tahoe Regional Planning Agency. But to realize the full potential of the Lake Tahoe Destination Stewardship Plan, a new collaborative leadership structure is required to see it through.

Members of the Collaborative that have led and funded this planning process believe that no existing organization is equipped to take responsibility for implementing the plan. This planning process has yielded a growing awareness that the best outcomes will flow from an ongoing partnership that is united in a shared commitment to action, transparency, communication, and inclusion.

Other leading destinations, nationally and globally, have found value in creating multi-sector destination stewardship councils or committees. These structures can bring a range of expertise to governance while including voices of various communities, including those underrepresented, and those that are advocates for nature and wildlife. These structures often are a mechanism for achieving broader goals of responsible, sustainable tourism economies, such as equity and wellbeing. Any successful stewardship council must include the voices of the region’s underserved populations, community-based organizations, and the Washoe Tribe.

Once established, this new partnership structure can oversee implementation of the plan’s major objectives and action items. To ensure effectiveness, it will be vital to equip this structure with a day-to-day administrative function and fund it through a mechanism described in this plan’s Funding Feasibility Report.

To ensure a strong voice for this partnership, it will be essential to establish an in-market communications and branding strategy to advance shared messages, engage Tahoe communities, and highlight progress on the plan’s vision and initiatives. This partnership also is well positioned to shed light on the impacts of Tahoe’s vital tourism and recreation economy by establishing and maintaining regional research. Fact-based insights – whether from surveys or geolocation-based operating systems – can drive effective decision-making, identify local priorities, and increase public understanding of needed actions. As this partnership grows stronger, it can be an effective advocate for advancing vital shared initiatives in the Tahoe region, in California and Nevada statehouses, and beyond.
Objectives

Formalize a governance structure to shape, guide, and implement the Tahoe region’s destination stewardship agenda.

Establish and maintain regionwide research to guide decision-making and measure success.

Develop a comprehensive in-market communications and branding strategy to advance shared messages and demonstrate regional collaboration.

Establish a shared voice to advocate for the Tahoe region’s destination stewardship priorities.

Support ongoing financial feasibility of destination stewardship governance and shared initiatives.

Strategic Pillar 3

Advance a Culture of Caring for Tahoe

Goal: Safeguard and improve Lake Tahoe and the region’s natural environment by enlisting all in taking responsibility to care for it.

Throughout this planning process, the paramount priority expressed by all stakeholders – businesses large and small, residents, nonprofits, government agencies, and diverse cultural groups including the Washoe Tribe – is to safeguard and improve the quality of Lake Tahoe and its surroundings.

This plan sets forth a belief that it is everyone’s responsibility to care for Lake Tahoe and its surrounding lands, forests, and wildlife. Creating a region-wide culture of caring for Tahoe and making it a core part of the Tahoe experience is the key to instilling this sense of responsibility in all users.

While the Take Care Tahoe campaign has been hailed as a model since launching nearly 10 years ago, resident and visitor surveys show that awareness is low. Various organizations in the Tahoe region still field their own messaging campaigns. The result is a collection of fragmented messages with no guiding strategy across the region. By pooling resources around a shared strategy and campaign, the region can drive home its messages for all users, both prior to arrival and while in Tahoe. This collaborative effort would include targeted outreach to specific classes of high-impact users as well as communications for non-English speakers.

This shared communication strategy can draw even more power from engaging organizations across the Tahoe region to embrace and share the messaging with their own constituencies.

Guidance for safeguarding Tahoe’s natural assets is thoroughly mapped in the Lake Tahoe Environmental Improvement Program (EIP), established more than 25 years ago. The EIP is credited with major achievements, including stabilizing lake clarity and advancements in forest health. To address new challenges from climate change, priorities cannot waver from restoring watersheds and water quality, combating aquatic invasive species, and improving forest health to reduce hazardous fuels. Other steps to advance climate adaptation include funding transit alternatives, electric charging networks, and advancing sustainable recreation and tourism.

A core issue for the care of Tahoe is the growing threat of wildfire, which ravaged the region in 2021 and forced evacuation of South Lake Tahoe. To mitigate what many describe as an “existential threat” to Tahoe’s way of life, it will be vital to advocate for funding and embrace actions that reduce the threat of fire and safeguard human life.

The Tahoe region’s counties and municipalities each have climate strategies. The Tahoe Climate Resilience Action Strategy of 2022 provides guidance for the entire Tahoe Basin and includes a funding target to complete ‘shovel-ready’ projects identified in the EIP, Tahoe Climate Adaptation Action Portfolio, the Lake Tahoe Forest Action Plan, and Lake Tahoe Aquatic Invasive Species Action Agenda. The Destination Stewardship Council can advance these critical efforts by identifying ways the tourism and outdoor recreation industries can promote forest health and join in advocating for resources.

For the Tahoe region, much inspiration for stewardship can be drawn from the Washoe people. The region’s original inhabitants believe that all life flows from the lake, and that the lake and its surroundings are sacred places to be honored and protected. Embracing this mindset, incorporating it into stewardship messaging, and recognizing the Washoe People could provide deep inspiration for advancing a culture of caring for Tahoe.

Objectives

Employ region-wide stewardship messaging to drive desired behaviors and inspire all to take care of the Tahoe region.

Engage tourism and outdoor recreation operators, nonprofits, and neighborhood associations in taking care of Tahoe.

Celebrate and promote environmental stewardship and restoration accomplished by the Lake Tahoe EIP.

Demonstrate shared commitment to actions to reduce carbon emissions and advance climate resilience.

Recognize, engage, and draw inspiration from the Washoe people as stewards of Lake Tahoe.
Strategic Pillar 4

Improve the Tahoe Experience for All

Goal: Reduce peak demand impacts through resource management, improved infrastructure and enforcement, while continuing to create ways for all to enjoy and connect with the region.

Because the Tahoe region encompasses vast public lands owned by all, much of Tahoe’s policy-making centers on an ethos of “Access for All”. There is a growing awareness that safeguarding the Tahoe experience and reducing impacts on natural resources requires strategic management of resources, especially during peak days and seasons. In the spirit of our Guiding Principles, this plan advocates visitor management practices that maximize access to the Tahoe experience, while reducing impacts on communities and natural resources and meeting accepted standards for fairness and equity.

This balanced outcome can be achieved through a variety of thoughtful visitor management strategies. Each embodies a determination to enhance the Tahoe experience for everyone, in some cases by triggering actions that may temporarily limit access -- such as limiting parking at “hot spots” or access to certain beaches at peak times. The impact of these management practices can be balanced by ensuring open access during less congested seasons, days, or even hours of the day. Balance also can be achieved by maintaining fair and equitable practices around such management tools as reservations systems, parking or shuttle access, and enforcement.

Visitor Management

The Lake Tahoe Recreation & Tourism Playbook (2021) identifies a range of actions that could form the basis of a strong strategy for better use of Tahoe’s tourism and recreation assets. Actions in the playbook address key impacts at recreation hotspots including litter management, congestion, parking, and user behavior. The region’s destination organizations also are deploying actions to manage visitation, such as promotion of less-busy seasons and times of the week and highlighting lesser-known activities and attractions.

Litter and Waste

Actions to reduce and manage litter, especially on beaches and other natural areas, is another major priority for Tahoe residents. While the region’s multiple jurisdictions, including the USDA Forest Service, are bound by different regulations, much progress could be made over time through collaboration. For example, creating a consistent policy around more frequent trash collection during peak periods, would alleviate impacts on natural areas and in many Tahoe neighborhoods. A unified approach to enforcing litter laws would send a clearer message.

Sponsoring additional receptacles, signage, cleanups, and onsite ambassadors also can deliver positive outcomes.

Transportation

Rigorous, consistent parking enforcement is also a key to managing overuse and safety hazards as well as impacts to sensitive areas. Solutions can be found in an ongoing effort to create a region-wide parking enforcement plan. Potential solutions include communication and marketing strategies, parking reservation systems, occupancy tracking systems, pay stations, electronic occupancy signs, cell phone-enabled occupancy and payment, as well as enforcement policies. Equitable access can be built into fee structures allowing for low or no-cost entry periods or including exemptions or discounts for residents or local workers.

Peak-season traffic congestion on the scenic highways encircling the Tahoe Basin is a major source of frustration for many users. Traffic congestion impacts quality of life for locals, impacts the availability of workforce, and fuels dissatisfaction for everyone. The 2020 Lake Tahoe Regional Transportation Plan identifies comprehensive long-term strategies to offset use of personal vehicles through alternative transit modes, expansion of bike-friendly options, and enhanced technology.

The Lake Tahoe Transportation Equity Study undertaken in 2022 also supports alternatives, such as park-and-ride shuttle systems. Residents were quick to embrace the possibilities of the innovative North and South Shores’ free micro transit systems. Broad-stroke approaches to policy can play a major role in transforming the local transportation system. For example, Banff National Park announced in late 2022 that it was eliminating vehicle parking for designated hotspots and providing visitor access through shuttles.

Regional organizations can also take steps to broaden access and create a stronger sense of inclusion for underrepresented populations by supporting programs that remove barriers to accessing Tahoe’s famed outdoor destinations. Many local nonprofits are already working to connect youth with outdoor experiences and can be a model that can be expanded and replicated by other organizations.

Improved and Expanded Infrastructure

A long-term solution to managing visitation during high-demand periods is the design and construction of improved recreation and transportation facilities around the Region. Critical to destination stewardship are the state Route 89, 28, and North Tahoe Resort Triangle Corridors. The region has developed corridor management plans that are comprehensive plans to manage visitation year-round with
strategies to reduce congestion, manage parking, expand transit and trails, enhance the visitor experience, expand broadband connectivity, mitigate litter, and more. Land managers and businesses are actively pursuing funding to implement corridor plans and needed infrastructure.

**Equity**

Conversations with Tahoe Spanish-speakers showed that many felt excluded. Though the populations of some Tahoe communities are 30-50 percent Spanish-speaking, the region’s communications often are produced only in English. Creating an expectation that local materials will be produced in both languages would make Spanish-speaking residents feel more included in local life – and would be preferable to a current expectation for translations to be provided by local Spanish-speaking staff.

The region must also more fully recognize and engage the Washoe Tribe as the region’s past, present, and future stewards. Taking steps to acknowledge that the Tahoe Basin is the traditional home of the Washoe people would be an important first step in repairing a fractured relationship, making amends, and sharing a richer, more accurate depiction of Tahoe with all.

**Objectives**

Develop and embrace an adaptive, time-sensitive strategy to manage demand and peak volume periods. The strategy will include actions that provide for equitable access to Tahoe’s recreational destinations.

- Deploy regional strategies for reducing and managing litter and waste.
- Use parking and enforcement as tools for managing use and preventing negative impacts.
- Connect people and places with transit and trails to ease congestion.
- Ensure that all have opportunities to access the Lake Tahoe region by supporting actions and initiatives that improve diversity, equity, inclusion and accessibility.
- Execute Corridor Management Plans.
- Improve the infrastructure around the region to better manage the visitor experience.
- Develop and implement sustainable recreation projects under the EIP.
Starting Now: Immediate Term Actions

The overarching goal is to create a unified approach to advancing destination stewardship in the Tahoe region.

The Lake Tahoe Destination Stewardship Planning Team (“Core Team”) – representatives of 17 organizations that contributed both financial resources and time to develop this plan – have prioritized the following actions to begin implementing the Destination Stewardship Plan.

1. Establish a Destination Stewardship Council

Transition the Core Team into a Destination Stewardship Council (the Council), identifying and engaging representatives from other stakeholder groups with shared interests.

a. Determine roles, responsibilities, and structures within the Council.

b. Create an executive committee to provide guidance for the Council.

c. Establish a charter outlining the scope of work, expectations, time commitment, term length, and other conditions for participation, including financial contribution.

d. Explore pathways to create a permanent Destination Stewardship Council structure, such as forming a public-sector entity or new organization.

2. Build Destination Stewardship Council Capacity

Contract staff resource(s) to manage the Destination Stewardship Council and coordinate with all stakeholders. This role will be tasked with establishing and managing the Council’s operational structure.

a. Coordinate communication among Council members

b. Organize and facilitate Council meetings and activities.

c. Facilitate the Council’s development and implementation of funding strategies for priority actions and initiatives.

d. Coordinate the prioritization of actions, working groups, and work plans, while ensuring they complement existing regional efforts.

e. Council representatives will aim to join national and international destination exchange opportunities to engage in dialogue and learning to support ongoing identification of solutions.

3. Secure Funding and Other Resources

Secure funding for resources to manage the Destination Stewardship Council’s work and fund priority actions.

a. Establish a fiscal agent to handle administration of contributions.

b. Define budget and secure funding commitments from Destination Stewardship Council members to manage the Council’s work.

c. Assess long-term funding options from this Plan’s Funding Feasibility Report to manage Council operations and implement priority actions.

4. Establish Action Teams and Work Plans

Prioritize collaborative actions and create “Action Teams” (working groups) for implementation.

a. Base work plans on priorities identified in the Destination Stewardship Plan and Action Plan.

b. Evaluate priority actions against existing efforts to ensure that new actions add value and are not duplicative. The Optimal Value Framework Analysis documents existing efforts by category and may be used as a reference database.

c. Create Action Teams to tackle key areas of concern, including, for example, Transportation & Parking, Litter & Waste, Peak Demand Management, Stewardship Messaging, Economic Engine, Governance, and Funding.

5. Develop and Deploy a Communication Strategy

Create a communication plan to inform the public about the Destination Stewardship Plan process, outcomes, and next steps.

a. Develop standard talking points for Council member organizations to communicate about goals, actions, and outcomes clearly and consistently.

b. Present the Plan to county commissioners, council members, boards, and other representatives/constituents to seek widespread formal adoption of the Plan.

c. Design a comprehensive Plan launch campaign that engages tourism businesses, public-sector agencies, NGOs, and the wider community.

d. Establish an ongoing communication strategy and align communication about the Plan across stakeholder groups.

e. Establish a digital presence and tools to ensure transparency and easy access to information.

f. Continue to coordinate with the region’s public information officers to communicate destination stewardship efforts with all who experience Tahoe.
Priority Actions: Advancing Visitor Management

Whether in public listening sessions, group discussions, in-depth interviews or surveys, people who care about the future of the Tahoe region identified a collection of concerns requiring attention. Achieving satisfactory solutions will require both immediate and long-term actions. No one organization is responsible for implementing the following actions. It will take collaboration across the region to successfully implement the actions in this plan. The following table outlines all priority actions of this plan, organized by strategic pillar.

<table>
<thead>
<tr>
<th>Strategic Pillar</th>
<th>Priority Actions</th>
</tr>
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<tbody>
<tr>
<td>Foster a Tourism Economy that Gives back</td>
<td>Visibly express and explain to the community how tourism funds community priorities such as roads, transit, bike paths, housing, etc.</td>
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<td>Ensure TOT (tax) and TTBID (self-assured) dollars continue to fund destination organization efforts to support a healthy visitor economy through effective, responsible marketing and promotional activities.</td>
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<td>Develop strategies to recruit and retain a high-quality tourism and outdoor recreation workforce.</td>
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<td></td>
<td>Develop and implement strategies that create recreation and tourism jobs, invest in local businesses, and ensure that more Tahoe tourism revenue stays in the local economy.</td>
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<td></td>
<td>Encourage a more welcoming and friendly local vibe to increase positive visitor interactions.</td>
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<td></td>
<td>Foster entrepreneurship and attract tourism and outdoor recreation businesses focused on supporting destination stewardship as outlined in the Envision Tahoe Prosperity Playbook (2022).</td>
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<td></td>
<td>Prioritize attraction and development of events and experiences that embrace sustainable practices and adapt to changing climate, weather and systems.</td>
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<td></td>
<td>Support the efforts of tourism and outdoor recreation providers to upgrade and evolve offerings to attract desired visitation.</td>
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<tr>
<td>Turn a Shared Vision into Shared Action</td>
<td>Adopt a charter establishing a mission and guiding principles for participating organizations to partner in ongoing destination stewardship.</td>
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<td>Deploy near-term funding strategies to support the viability of the governance structure.</td>
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<td>Establish a governing structure with a board of directors and committees.</td>
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<td></td>
<td>Determine and maintain optimal staffing to achieve stated mission and goals.</td>
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<tr>
<td>Strategic Pillar</td>
<td>Priority Actions</td>
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</table>
| **Advancing a Culture of Caring for Tahoe** | Create a shared brand for the governance structure and a brand toolkit guiding all partners in use of the brand.  
Invest in creation and widespread distribution of a unified, regionwide stewardship messaging campaign to drive desired behaviors.  
Review Take Care program’s suitability to fill this need and identify areas for improvement, amplification, new audiences and new promoters, etc.  
Identify strategies to educate visitors before arrival.  
Develop an in-market public information strategy to increase understanding of ways Tahoe’s visitor economy supports local quality of life.  
Maintain StewardshipTahoe.org and Stewardship Tahoe E-News as tools for connecting stakeholders with shared regional initiatives.  
Incorporate culturally diverse messaging into wayfinding, interpretive materials, programming, and trip planning resources.  
Commit to developing and sharing communications in English and Spanish to increase understanding and inclusion.  
Join in promoting the Eyes on the Lake program to rapidly detect invasions and prevent further spread.  
Work with Washoe Tribe to integrate the belief that life of the region flows from the lake into messaging for a Tahoe stewardship messaging campaign.  
Incentivize and celebrate community stewardship achievements and identify strategies for businesses to connect guests with environmental volunteering experiences. |
| **Improve the Tahoe Experience for All** | Utilize the Lake Tahoe Recreation & Tourism Playbook (2021) as source for actions in the regional roadmap to reducing litter and improving waste management.  
Strengthen, integrate, and expand the Ambassador program(s).  
Prioritize litter enforcement on peak weekends and holidays.  
Prioritize installing bilingual litter signage at all recreation sites, especially site entrances and walk in locations.  
Support and publicize opportunities to join Blue Crews, Clean Tahoe and other volunteer litter abatement programs.  
Continue to invest in expansion of micro transit solutions connecting communities and recreation sites.  
Support regular shuttle service and consider seasonal parking limitations or restrictions for highly visited overlooks and trailheads.  
Advance the Regional initiative to create a Tahoe Basin Area Parking Enforcement Plan as a comprehensive strategy for managing and enforcing parking requirements.  
Develop and embrace an adaptive, time-sensitive strategy to manage demand and peak volume periods. |

A more detailed action plan, with objectives, actions and success metrics can be found in Appendix A.
Potential Funding Strategies

Implementing the recommendations of this plan will require dedicated and sustainable funding. The funding mechanism report recommended potential near- and long-term funding strategies. This plan does not recommend one strategy over another and may consider different funding opportunities in the future based on need and feasibility.

Near-term Funding Strategies

Near-term solutions are focused on funding organization and administration of the Lake Tahoe Destination Stewardship Council. Model options for consideration include utilizing an existing organization or establishing a new legal organization, with implications of both.

Administration Funding

Two stages of governance model options are proposed, the first being a fiscal agent to manage funds on behalf of all members of the destination stewardship council. The council could establish a cooperative funding model with tiered levels of membership commitments from existing organizations. The payment tiers should be based on defining factors, such as participation level, budget, population, and/or visitation numbers.

Once the future Destination Stewardship Council builds capacity and demonstrates success, it should explore establishing a private nonprofit organization. Creating a nonprofit will create a formal body, operating as its own entity, with the ability to enter its own contracts, receive and distribute funds from outside sources, and operate with increased protection from liability due to its nonprofit status. Furthermore, establishing a nonprofit gives the corporate body the right to exist perpetually, therefore increasing its ability to provide both short-term and long-term solutions.

A nonprofit provides an opportunity for clear authority with a consistent public image to take a unified approach in addressing regional issues, such as litter removal and parking management initiatives, through implementation of its own cohesive plan. Successful implementation of programs will heighten its organizational credibility and therefore increase future funding opportunities.

Long Term Funding Solutions

Long term, sustainable funding solutions focus on more complex potential mechanisms, both public and private. Common public funding revenue mechanisms include sales taxes, grants, and property taxes.

Tourism Improvement Districts (TIDs)

The fastest growing revenue model for destinations worldwide is the tourism improvement district (TID). A tourism improvement district (TID) is based on the business improvement district model and is funded through the levy of assessments. A TID is a stable funding mechanism for destinations to fund activities and improvements by imposing an assessment on businesses within a specified geographic boundary. Funds raised through a small assessment on lodging stays, dining, shopping, and more can be used to provide services desired by, and that directly benefit, businesses within the TID.

TIDs are customized to fit the needs of businesses paying the TID assessment. Assessed businesses have direct input in establishing district parameters, such as the assessment rate and the activities and improvements the TID will fund. TID funds are uniquely characterized by their stability. Funds raised through the assessment must be spent for the benefit of the businesses paying the assessment and cannot be diverted to other government programs.

TIDs can be useful for maintaining the health of the visitor economy and delivering benefits back to the community. While TID legislation exists in California, there is currently no statute enabling TIDs in Nevada. TID legislation would need to be pursued in Nevada to explore the TID mechanism as a long-term funding solution for issues in Nevada’s Lake Tahoe area.

Since late 2021, eastern Placer County also has been generating an additional $6 million from a new Tourism Business Improvement District (TBID). The new TBID revenue stream replaces previous TOT funds with new tourism-generated revenue available for funding important local priorities, including workforce housing, transportation, and sustainable tourism measures. Other areas of the Tahoe region could replicate this successful local example of a TID.

Property and Business Improvement Districts (PBIDs)

Another funding mechanism that utilizes a new assessment to generate revenue is a Property and Business Improvement District (PBID). Similar in structure to a TID, PBIDs are a stable funding source designed to provide special benefits to payors. Unlike TIDs, PBID assessments are levied on real property rather than businesses. PBIDs are often used to create a funding stream for the installation of trash cans, litter removal, and general maintenance for assessed property owners within a designated geographic boundary.

PBID activities often include security services, clean up and maintenance services, infrastructure improvement programs, marketing programs and many other significant projects. PBID revenue may also be used to fund capital improvement
projects and may authorize the use of bonds for such projects. Owners within the PBID work together to implement significant improvements, provide needed services, and improve the area. Operations of PBIDs are governed by the property owners funding the PBID.

**Voluntary Districts**

Both TIDs and PBIDs are examples of compulsory levies. If enough of the business or property owners meet the legal threshold of consensus to form a TID or PBID in a certain geographical area, then all businesses or properties proposed for assessment within the district will be required to pay the assessment. In some cases, the implementation of such a compulsory levy may not be viable. In such a case, funding may be generated through the creation of a voluntary district. Voluntary districts are ones in which businesses that wish to be included opt-in through an agreement with the managing entity, e.g. a City or a private non-profit corporation, to receive specified services. Unlike other compulsory funding mechanisms, not all businesses within the designated geographic area are included - only those who opt-in to pay the charge, and only those paying the charge receive the additional services. The businesses who wish to be included in the district typically contract with a designated non-profit to manage the assessment funds collected by the businesses.

If businesses can swiftly come to consensus about district parameters, such as the services and the amount of the assessment that will be levied, voluntary districts can provide the benefit of a quicker formation process as opposed to a TID or a PBID because voluntary districts do not require local jurisdiction approval. Furthermore, voluntary districts are subject to few, if any, government regulations, and can be less expensive to form as they typically only require drafting of the agreements.

Although voluntary districts offer advantages over compulsory levies, they also have disadvantages. Unlike TIDs and PBIDs, which require that services benefit and are provided to only those paying the assessment, there is an argument that benefits of a voluntary district inevitably spill over to those that did not opt-in to the district. Furthermore, voluntary districts may not create the same “level playing field” that a compulsory district creates. The voluntary structure of the levy means that some may not be paying even though they benefit from the programs.

**Sales Tax Increment Funding**

Another option of public revenue with a diversified base of payors is the tax increment financing (TIF) model. Both California and Nevada have statutes enabling the creation of property TIF districts. However, neither has a sales TIF tool. A new sales TIF tool for both states would involve the introduction of a new levy or an increase in taxes.

Unlike property TIF districts, the increment of a sales TIF is derived from the subsequent increases in the sales tax revenue above an established baseline as a result of a specific project. A sales TIF mechanism could be used to fund improvement projects aimed at providing alternative methods of transportation in the Tahoe area, to fund affordable housing initiatives, or other long-term initiatives of the plan.

To pursue this option, the legislation authorizing the creation of sales TIF districts will need to be formulated and introduced in both state legislatures. While the legislative process to enact sales TIF statutes may take multiple years, the enactment of this long-term funding solution could dramatically change the ability to achieve long term goals expressed in this plan.
The collaborative work of the years leading up to this planning process and the process itself to engage with Tahoans throughout the region, has culminated in a shared vision for the Tahoe region’s tourism and recreation economy.

The shared vision is the guiding light for all strategies and efforts going forward, efforts that require the spirit of collaboration Tahoe is known for - collaboration that is building momentum as the planning phase concludes and implementation is already underway.

The organizations that have come together may have vastly different day-to-day mandates and operations, from protecting forests to planning and policies to governing and managing the visitor experience, and more – but all are united by the shared vision.

These organizations that make up the Lake Tahoe Destination Stewardship Council have committed to each and every one of the objectives and actions outlined within this plan and took the time to discuss together and think through carefully what they want to achieve, and how they can achieve it. They got started on turning the shared vision into shared action before this plan went to print.

In the immediate term the focus will be on building the capacity of the destination stewardship council, including securing funding and staffing to facilitate implementation and communications. Action teams will be established to tackle the priorities, recognizing that progress needs to be made quickly on areas including managing peak demand issues such as litter and waste, as well as unified stewardship messaging targeting everyone who enjoys the Tahoe experience to inspire them to join in the efforts to take care of Tahoe.

Longer term actions will evolve and continue to be updated by the Council, as new opportunities and priorities emerge. Progress will be monitored by the success measures outlined in the action plan – measures that will indicate not only progress on plan actions but indications of the impact of those actions, to ensure Tahoe continues on the right path toward the vision.
Appendix A:  
Action Plan Overview
<table>
<thead>
<tr>
<th>Strategic Pillar</th>
<th>Objectives</th>
<th>Priority Actions</th>
<th>Success Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foster a Tourism Economy that</td>
<td><strong>Goal: Foster a thriving tourism and recreation-based economy that visibly improves quality of life, addresses community priorities, and supports environmental stewardship.</strong></td>
<td>• Strengthen Destination Organizations’ Support and Funding: Ensure TOT (tax) and TBID (self-assured) dollars continue to fund efforts to support a healthy visitor economy through responsible marketing and initiatives that align with the region’s destination stewardship goals. This may include working with local governments, businesses, and community members to advocate for resource allocation, supporting partnerships, and exploring alternative funding sources such as grants and sponsorships.</td>
<td>Total visitor-generated revenues allocated to destination stewardship priorities</td>
</tr>
<tr>
<td>Gives Back</td>
<td>• Support the vitality of Tahoe’s primary economic engine (tourism and recreation) to deliver long-term economic, social, and environmental benefits throughout the region.</td>
<td>• Leverage Visitor Economy to Address Tahoe Area Priorities: Actively identify and pursue opportunities for the visitor economy to contribute to the advancement of key Tahoe area priorities, including housing, transportation, and environmental preservation. This may involve fostering public-private partnerships and encouraging visitor-supported initiatives. Additionally, facilitate communication and engagement between the tourism industry and local communities to increase understanding and recognition of the benefits generated by the visitor economy.</td>
<td>Increase in worker satisfaction</td>
</tr>
<tr>
<td></td>
<td>• Ensure that major community priorities – such as housing, transportation, and improving natural assets - draw support from the visitor economy.</td>
<td>• Develop strategies to recruit and retain a high-quality workforce.</td>
<td>Increased inventory of workforce housing</td>
</tr>
<tr>
<td></td>
<td>• Support development of new experiences and entrepreneurship opportunities that align with destination stewardship goals.</td>
<td>• Prioritize attraction and development of events and experiences that embrace sustainable practices and respond to changing systems and trends.</td>
<td>Improvement in resident perceptions of value of tourism</td>
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<td>• Prioritize actions to advance improvement and redevelopment of the Tahoe region’s assets and infrastructure.</td>
<td>• Support the efforts of tourism and outdoor recreation providers to upgrade and evolve offerings to attract desired visitation.</td>
<td>Increased destination organization funding</td>
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<td>• Advance local understanding of how Tahoe’s tourism and recreation economy creates tangible benefits for its host communities.</td>
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<td>Decreased presence of invasive species</td>
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<td>• Develop strategies to recruit and retain a high-quality workforce.</td>
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<td>Increase in business adoption of emission reduction targets</td>
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| Turn a Shared Vision into Shared Action | • Formalize a governance structure to shape, guide, and implement the Tahoe region's destination stewardship agenda.  
• Establish and maintain regionwide research to guide decision-making and measure success.  
• Develop a comprehensive in-market communications and branding strategy to advance shared messages and demonstrate regional collaboration.  
• Establish a shared voice to advocate for the Tahoe region's destination stewardship priorities.  
• Support ongoing financial feasibility of destination stewardship governance and shared initiatives. | • Transition to Destination Stewardship Council: Establish new governing structure, transitioning from current group to a formalized Council with an Executive Committee and subcommittees for implementation.  
• Set Requirements for Participating Organizations: Adopt a charter, roles and responsibilities of Council members, and other conditions for participation, including financial.  
• Secure Immediate-term Funding: Determine budget and funding contributions from Council members and/or other sources for building capacity of Council to implement the Destination Stewardship Plan.  
• Deploy near-term funding strategies (including those identified in the Funding Feasibility Study (of this plan) to support the viability of the governance structure.  
• Determine and maintain resources to achieve stated mission and goals: Secure resources to coordinate Council and working groups to implement destination stewardship initiatives efficiently and effectively. | Progress toward establishing  
Destination Stewardship Council  
Progress on Priority Actions  
Creation of sustainable funding for Destination Stewardship Council operations  
Creation of sustainable funding for Council Priority Actions |
| Advance a Culture of Caring for Tahoe | • Employ region-wide stewardship messaging to drive desired behaviors and inspire all to take care of the Tahoe region.  
• Engage tourism and outdoor recreation operators, nonprofits, and neighborhood associations in taking care of Tahoe.  
• Celebrate and promote environmental stewardship and restoration accomplished by the Lake Tahoe EIP  
• Demonstrate shared commitment to actions to reduce carbon emissions and advance climate resilience.  
• Recognize, engage, and draw inspiration from the Washoe people as stewards of Lake Tahoe. | • Establish a Shared Brand and Toolkit: Create a shared brand for the governance structure and develop a brand toolkit to guide partners in its consistent use.  
• Implement a Unified Stewardship Messaging Campaign: Invest in the creation and widespread distribution of a cohesive, region-wide stewardship messaging campaign to promote responsible behaviors.  
• Evaluate the Take Care program, identify improvements, expand audiences, and increase promoter engagement.  
• Develop pre-arrival visitor education strategies.  
• Design an in-market public information campaign highlighting the benefits of Tahoe’s visitor economy for local quality of life.  
• Collaborate with the Washoe Tribe to incorporate their cultural beliefs into the messaging campaign.  
• Ensure communications are available in English and Spanish for increased understanding and inclusion.  
• Maintain Stewardship Communications Platforms: Continue supporting StewardshipTahoe.org and Stewardship Tahoe E-News to connect stakeholders with shared regional initiatives.  
• Expand Ambassador Programs: Strengthen, integrate, and expand the Ambassador programs to promote and support stewardship initiatives.  
• Support the Eyes on the Lake Program: Actively promote the Eyes on the Lake program to help detect and prevent the spread of invasive species.  
• Encourage and Reward Community Stewardship: Incentivize and celebrate community stewardship achievements, and help businesses connect guests with environmental volunteering opportunities. | Increased awareness of stewardship campaign  
Increased awareness of litter reduction measures  
Increased visitor contribution to conservation and restoration  
Increased protections for species and habitats  
Decreased presence of invasive species  
Decreased human-bear conflicts  
Increase in business adoption of emission reduction targets  
EIP targets for water contamination and clarity |
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| Improve the Tahoe Experience for All  | **Goal**: Reduce peak demand impacts through resource management, improved infrastructure and enforcement, while continuing to create ways for all to enjoy and connect with the region. | • Develop and embrace an adaptive, time-sensitive strategy to manage demand and peak volume periods. The strategy will include actions that provide for equitable access to Tahoe’s recreational destinations.  
• Deploy regional strategies for reducing and managing litter and waste.  
• Use parking and enforcement as tools for managing use and preventing negative impacts.  
• Connect people and places with transit and trails to ease congestion.  
• Ensure that all have opportunities to access the Lake Tahoe region by supporting actions and initiatives that improve diversity, equity, inclusion and accessibility.  
• Execute Corridor Management Plans  
• Improve the infrastructure around the region to better manage the visitor experience.  
• Develop and implement sustainable recreation projects under the EIP | • Implement Litter & Waste Management Strategies: Utilize the Lake Tahoe Recreation & Tourism Playbook (2021) as source for actions in the regional roadmap to reducing litter and improving waste management.  
• Prioritize litter enforcement on peak weekends and holidays.  
• Support and publicize opportunities to join Blue Crews, Clean Tahoe and other volunteer litter abatement programs.  
• Prioritize installing bilingual litter signage at all recreation sites, especially site entrances and walk in locations.  
• Support and Invest in Transit Connections: Continue to invest in expansion of microtransit solutions connecting communities and recreation sites, including regular shuttle services.  
• Implement Parking Management & Enforcement Solutions: Advance the regional initiative to create a Tahoe Basin Area Parking Enforcement Plan as a comprehensive strategy for managing and enforcing parking requirements.  
• Consider seasonal parking limitations or restrictions for highly visited overlooks and trailheads.  
• Update signage and messaging to reach culturally diverse audiences: Incorporate culturally diverse messaging into wayfinding, interpretive materials, programming, and trip planning resources.  
• Develop and embrace an adaptive, time-sensitive strategy to manage demand and peak volume periods: Strategies like paid parking, reservations, and increased enforcement in conjunction with transit and trail infrastructure. | More frequent waste collection at high use sites  
Reduced waste in sensitive areas and lake  
Increased visitor contribution to litter abatement and/or waste management services  
Reductions in traffic congestion  
Reductions in illegal parking |
Appendix B: Situation Analysis

A Changing Tourism and Outdoor Recreation Landscape in the Lake Tahoe Region

November 2022
Executive Summary

The Lake Tahoe Region has been a magnet for visitors since before the turn of the 20th century, but about 60 years ago visitation began a steep climb. The region’s renowned outdoor setting, opportunities for recreation and entertainment, longstanding casinos, and jaw-dropping beauty have drawn people from across the globe. Their presence profoundly impacts the region’s economy, the outdoor recreation experience, the natural environment, and the everyday life of its many communities.

Tahoe is a place of steep contrasts. The sharp bend that divides the states of California and Nevada cuts through Lake Tahoe’s crystalline waters. With a floor dipping 1,645 feet below its surface, it’s the second deepest lake in the U.S. and the third deepest in North America. It is recognized nationally and globally as a natural resource of special significance, and the lake is designated an “Outstanding National Resource Water” under the Clean Water Act. Its basin encompasses 205,000 acres and primarily managed by the United States Forest Service, Lake Tahoe Basin Management Unit (LTBMU), which celebrates its 50th anniversary in 2023. Approximately 86% of the region is public land. Lake Tahoe’s 72-mile shoreline is surrounded by peaks reaching up to 10,880 feet and it touches five counties and encompasses a multitude of distinct communities and just one incorporated city, the City of South Lake Tahoe. This unique jurisdictional landscape is bound together by a bi-state compact between the States of California and Nevada. The sphere of influence for this analysis stretches further to include the Town of Truckee and Nevada County, whose fortunes and interests are closely intertwined with the rest of the region.

New data compiled for this study, in the form of the Tourism Impact Model (TIM), finds that in 2022, two million unique tourists collectively spent almost 13 million tourist visitor days in the region. In addition, 2022 experienced over four million visitor days from those just passing through in a vehicle or using the region. In 2022, two million unique tourists who visited in that year. But as crowded as the region felt that year, visitation was even higher during 2019, when the region recorded a record 14.2 million tourist visitor days and upwards of 4.5 million untethered visitor days. The COVID-19 pandemic briefly interrupted the growth trend, with 2020 visitation plummeting approximately 30% from the highs of 2019.

By the end of 2021, Tahoe was feeling many of the same tourism trends seen across the national - and international - landscape. The region’s hotels, including its casino hotels, were still operating below 2019 levels, and while average room rates had increased, workforce shortages plagued the sector. Vacation home rentals (VHRs) were on the rise in popularity and generating more overall visitor spending than in 2019. Meanwhile, the region was experiencing perceived increases in traffic congestion, an abundance of illegally parked cars, and an increase in unwanted visitor behaviors - contributing to increased litter in outdoor spaces.

Tourism typically is seen as the culprit, but it is important to recognize that the pandemic fostered and accelerated new trends that added to Tahoe’s congestion. New permanent residents added to the daily mix of people who were traveling Tahoe’s roads and enjoying its wondrous outdoor amenities. Abundant anecdotal evidence indicates their numbers continued to swell during 2020 and 2021 as people nationwide found freedom to relocate their lives and personal workspaces to places they wanted to be. At the same time, Tahoe workers displaced by rising housing costs moved out of the Basin, adding more commuters to Tahoe’s mostly two-lane road system. On top of this, new waves of people sought release in the outdoors, including many who were finding their way to the outdoors without much prior experience, training, or sensitivity to their impacts on the environment.

While 2022 occupancy rates remained below the highs of 2019, average daily room rates climbed higher, yielding strong returns for the region’s Transient Occupancy Tax (TOT) revenues – even though some properties were unable to operate at full capacity due to lack of workforce.

As we began 2023, Tahoe appeared to be feeling the falloff in visitation experienced by other western outdoors destinations. With travel restrictions lifted, waves of U.S. travelers turned to international experiences in 2022, even as inflationary pressures, especially for gasoline, kept many others at or near home.
A Changed Landscape

The proliferation of visitation and recreational use in Tahoe is attributed to the rise of outdoor recreation and the region’s close proximity (i.e., driving distance) to urban mega regions like San Francisco, Sacramento, and Reno. Additionally, external pressures such as climate change add to the allure of Lake Tahoe as a refuge. For example, when the nearby central valley of California experiences intense heat waves, the region experiences increases of both day and overnight visitation. The increasing attraction to Lake Tahoe aligns with national trends. According to the Outdoor Foundation, 164.2 million Americans 6 and older (54% of the population) participated in outdoor recreation activities at least once in 2021, highest on record. Public interest in visiting outdoor-oriented destinations has increased 42% in the last few years.

Outdoor recreation and tourism are increasingly becoming a highly important and influential sector in Tahoe’s economy both nationally and at a local level. According to the U.S. Department of Commerce’s Bureau of Economic Analysis (BEA), outdoor recreation generates $862 billion in economic output and 4.5 million jobs nationwide. This means the outdoor recreation economy contributes more to the U.S. economy than oil and gas extraction, mining, and agriculture. In Tahoe, outdoor recreation and tourism accounts for an estimated 62% of the Basin’s economic output, up from about 40% in 2010.

The economic benefits of tourism are undeniable. In 2022, the direct spending of the Lake Tahoe tourism economy, including Truckee, was $4.5 billion, producing a total economic impact that exceeded $10 billion. The size of this tourism engine is on par with the entire annual revenues of companies like Royal Caribbean ($4.68 billion) or Urban Outfitters ($4.69 billion). While there is interest in diversifying Tahoe’s economy, the magnitude of the economic contribution from tourism and the inherent draw of the Lake and its natural surroundings makes it highly unlikely that the visitor economy could be replaced as the region’s primary economic engine.

Through its development, Tahoe has seen a shift from a tourism economy heavily focused on gaming and skiing, to one with a wide variety of outdoor recreation activities. Combined with the introduction of tribal gaming in California, this shift exemplifies the dynamic and constantly evolving nature of tourism in the Tahoe region. The greater emphasis on outdoor recreation provides both opportunity and challenge for stewarding tourism in a way that protects Tahoe’s natural and cultural assets, while also catering to new tourism demands.

To safeguard the Tahoe experience for all, there is a growing belief that Tahoe must reshape its vital visitor economy by embracing new mindsets, further cultivating a culture of caring.
for nature, and evolving management practices. For Tahoe, the opportunity lies in understanding the dynamics of visitation and community, charting a path to optimize the benefits of tourism and recreation, and minimizing its negative impact on the environment and quality of life for Tahoe’s communities.

Moving Forward

Insights gathered from visitors and residents point to promising opportunities and a willingness to embrace creative solutions for addressing the region’s challenges.

The July 2022 Visitor Survey of 2,343 consumers that signaled interest in visiting the Tahoe Region included the following key findings:

- Approximately 88% indicated a destination’s support of environmental sustainability and stewardship is at least somewhat important to their choice of that destination.
- About 82% say they do their part to keep a destination clean when they visit.
- A total of 71% believe they are mindful and respectful of the natural environment.
- Nearly 42% said the Tahoe Region is doing an excellent job of safeguarding its natural resources, a far higher rating than given to 10 other Western destinations, including Monterey, Sonoma and Napa Valleys in California; Bend, Oregon; and Jackson Hole, Wyoming.

Responses from 1,040 respondents to the 2022 Resident Survey show Tahoe area residents generally understand the importance of tourism and outdoor recreation to their local economy. However, very few are seeing how tourism contributes to their quality of life.

- Only 21% of residents agree that tourism and recreation support quality of life and a strong sense of community.
- Only 29% of residents agree that the positive benefits of tourism and recreation in the Tahoe region outweigh the negative impacts.

A New Perspective and Opportunity

Tahoe is a special destination with a vibrant community. Safeguarding the unique experience Tahoe provides to those who live and play there requires an urgent, cross-jurisdictional regional commitment to shared action and stewardship.

The complex nature of Tahoe’s challenges can be met with an approach centered on environmental stewardship and a unified visitor management strategy. However, without collaborative action to better manage visitors in high use areas, the issues Tahoe faces related to litter, disrespectful visitor behaviors, congestion, and the seasonal boom/bust nature of business cycles, may continue to worsen. To enhance the quality of life for local communities and improve the Tahoe experience, changemakers sit at the forefront of a golden opportunity for meaningful change.

Purpose of Report

To navigate this changing and challenging landscape, the Tahoe Region is seeking a shared vision to guide management of its primary economic engine – its visitor economy. The purpose of this situation analysis is to focus on Tahoe’s present challenges and opportunities in order to guide the priorities for the destination stewardship plan.

Courtesy of Lake Tahoe Visitors Authority | Rachid Dahnoun
Situation Analysis Authors

Carl Ribaudo - President & Chief Strategist - SMG Consulting
Carl has pioneered economic modeling, scenario planning, and asymmetric thinking in developing tourism and recreation industry strategy. He has developed and implemented a wide range of services designed to create value and improve the competitiveness of destinations. Most recently, he has developed new strategy ideation approaches for destination tourism that tap into a destination’s creativity as a unique competitive asset.

Jeff Moffett - PhD., Principal - Triple Point Strategic Consulting
Jeff has thirty years of experience with economic analysis. Jeff founded Triple Point in 2013, specializing in developing custom economic and financial models. Focus areas are tourism economics, renewable energy, affordable housing, health assessments, and rural economic development. Triple Point is actively engaged in modeling for scenario planning, financial forecasting, permitting and approvals, optimal resource allocation, and improved decision-making. Economic impact studies are conducted using the IMPLAN model. Triple Point is active across the western United States and Canada. Jeff earned his M.S. in Econometrics and Ph.D. in Applied Statistics at the University of Washington, Seattle.

Tara Hetz - University of Utah M.S. Candidate and CREST Community Engagement Facilitator
Tara is a MS student at the University of Utah in the Parks, Recreation, and Tourism department. Her research focuses on Sustainable Tourism and Destination Stewardship. She supports the work of the Gateway and Natural Amenity Region (GNAR) research initiative. In 2022, she worked for the Center for Responsible Travel as the project manager and community engagement facilitator on the ground in Tahoe.

Contributors:
Cathy Ritter, Founder & CEO, Better Destinations
Wesley Espinosa, Interim Executive Director, Center for Responsible Travel
Kelly Galaski, Sustainable Tourism Specialist, The Travel Foundation
Jeremy Sampson, CEO, The Travel Foundation
Elke Dens, Director of Global Programs, The Travel Foundation
Introduction

Many gateway communities that are located near significant natural amenities, such as national parks, public lands, water bodies, and ski areas, are now grappling with “big city” issues. So too is the Lake Tahoe Region — defined for this study as the Tahoe Basin plus Truckee —which is confronted by a host of challenges previously associated with urban settings such as traffic congestion and a growing housing inequity that constrains labor supply. The pandemic exacerbated all of these problems.

Now Tahoe community members are asking: How do we better manage this place we call home, this natural environment, and this destination so many choose to visit? Many gateway communities, including Tahoe, are trying hard to find the balance between maintaining their economies, creating livable communities, and preserving the experience and quality of their natural areas.

To effectively address these issues, a Destination Stewardship Planning Team (“Core Team”) representing a multi-sector collaboration of public and nonprofit agencies hired a consulting team (“Project Team”) of specialists with expertise in community engagement, economic modeling, financial feasibility, environmental stewardship, and destination management. Blossoming out of collaboration on responsible tourism and sustainable recreation that began in 2015-2016, the CORE team’s multistakeholder makeup is a result of collaborative efforts that evolved through the Covid-19 pandemic. Throughout 2022, this multidisciplinary Project Team has been working with the Core Team and the community to create a shared vision of tourism and a Lake Tahoe Destination Stewardship Plan (DSP).

The Landscape

The Greater Lake Tahoe Region surrounds the largest alpine lake in North America. The Wašiw (Washoe) people are the original inhabitants of Da ow aga (Lake Tahoe). The Washoe Tribe of Nevada and California’s Wa She Su: The Washoe People Past and Present resource provides an overview of their ancestral territory which encompasses the land surrounded by the lake bordered by the Sierra Nevada Mountains to the west, Pine Nut and Virginia Ranges to the east, Honey Lake to the north and Sonora Pass to the south. Today, the Washoe Tribe holds a few small parcels of land in the Region and are concessionaires of Meeks Bay Resort on U.S. Forest Service land. These early stewards of the land and the lake were cruelly displaced after silver was discovered in the High Sierras, and Lake Tahoe’s forests were clear-cut to provide timber for the booming mining industry. As mining and logging declined in the late 1880s, the region’s economy shifted to tourism. Nearly every community around the lake owes its origins to a resort or a hotel. Since the late ’50s, Tahoe’s picturesque scenery and recreation activities like Nevada gaming casinos, boating, hiking, beaches, and excellent ski areas, have made the region a popular year-round destination.

New tourism and outdoor recreation trends have steadily increased impacts on the region’s communities and the environment, especially during the past five years. The rise of the sharing economy spread vacation home rentals (VHRs) that changed the makeup of neighborhoods, and other technology innovations like e-bikes and GPS-based smartphone apps have facilitated easier access to remote outdoor areas.

Tahoe is known globally for its regional collaboration on the Environmental Improvement Program, an unparalleled partnership working to accelerate the attainment of Lake Tahoe’s environmental threshold standards. In recognition of the abundance of public lands in the Basin, the federal government and the states of California and Nevada have invested more than $2.7 billion over the last 25 years to improve the health of the Tahoe environment, economy, and overall recreation experience.

The fruits of these efforts can be seen in improvements to both Tahoe’s natural and built environment, public access to the lake shore, and in the lake’s water clarity - which has continued to stabilize in recent years. However, resident quality of life is being increasingly strained by high use of trails, littered beaches, increased wildfire risk, and growing tensions between locals and various categories of visitors. Migration from major metropolitan areas, especially the Bay Area, has pushed prices for housing and rent beyond what local wages can afford. With many workers challenged to find a place to sleep, businesses around the lake struggle to operate at full capacity. Meanwhile, there are indications that the travel economy is softening, underscoring the cyclical nature of the region’s primary economic driver.

The Lake Tahoe Region is a puzzle of regulations, laws, and jurisdictions, resulting in a complicated governance landscape that requires strong partnerships to successfully manage. The region includes two states, five counties, one incorporated city, various municipalities, a multitude of communities, a regional planning agency, and a diversity of residents and visitors. Reflecting the importance of the alpine lake to the states and
the nation, Nevada and California signed a bi-state compact in 1969 that was ratified by Congress to create a regional planning agency to manage growth and achieve environmental restoration goals. The lake is also a designated Outstanding Natural Resource Water under the U.S. Environmental Protection Agency. Adding to the complexity of managing the 250 square mile region, more than 85% of the lake’s watershed is on public lands. These public lands are held in trust for the American people. For many, restrictions on access and fees go against the grain. Given this complex and vast landscape, it will take epic collaboration to determine the path forward for a shared vision.

This Situation Analysis aims to provide an understanding of the forces impacting tourism and outdoor recreation in the Tahoe Region and to provide a foundation of data for decision-makers to draw upon to align on a vision and future management decisions. It also seeks to support and build upon existing research, plans, tools, and analyses that have been carried out by government agencies, organizations, and coalitions in the Tahoe basin. See appendix I for a summary of some of the work that has been implemented to date.

The Situation Analysis is organized as follows:

**Part I:** Focuses on the Forces of Change, including global trends defining Tahoe’s new social and environmental landscape.

**Part II:** Quantifies Lake Tahoe’s tourism economy based on a data-driven Tourism Impact Model (TIM).

**Part III:** Shares findings of Resident and Visitor Insights from studies conducted for the stewardship plan.

**Part IV:** Distills outcomes of a SWOT Analysis into an Opportunity Analysis.

**Part V:** Explores “What Does It All Mean?”, converting findings into insights.

**Methodology**

The information shared in this Situation Analysis was compiled by the Project Team using several methods of primary and secondary research.

Desk research was conducted to review available primary research previously conducted by Tahoe basin organizations and government agencies. These sources are cited throughout the Situation Analysis.

Primary Research was conducted by the project team for the purposes of this Situation Analysis to provide additional insights to Core Team members.

**Tourism and Economic Impact Modeling**, referred to as the “Tourism Impact Model” (TIM), was developed by SMG Consulting and TPS Consulting to quantify the Tahoe Basin’s visitor economy and model various scenarios of alternative tourism management decisions. The TIM was developed using monthly Transient Occupancy Tax (TOT) data compiled in remittance reports from six geographic regions: the City of South Lake Tahoe, Town of Truckee, as well as lakeside portions of Placer, Washoe, Douglas, and El Dorado counties. The model is also based on data gathered from the Visitor Survey and validated by previously conducted research. Total economic impact estimates were developed using the IMPLAN economic impact model, as described more completely in the “Modeling Methodology” section.

Surveys were also fielded to Core Team member representatives to complete the Trend Scouting and Opportunity Analysis. Their inputs and responses were gathered from these surveys for the purposes of this Situation Analysis.
Part I: Forces of Change

Before arriving at solutions, it is important to understand the “problem.” Social, economic, technological, and environmental systems of old are experiencing deep and sometimes unexpected disruptions. External forces of change, including domestic and global trends, will continue to drive the need for adaptation and inspire innovations in managing Tahoe’s tourism and recreation landscape, yielding greater benefits and outcomes.

Global and National Trends

The Economic Cycle

A combination of strong economic growth, low inflation, and unemployment led to 10 successive years of travel growth through 2019. Lake Tahoe visitation and visitor spending also increased over this period.

The outlook for continued economic growth beyond 2022 is uncertain. As of October 2022, inflation has reached 8.2% according to the U.S. Department of Labor.

High-Use and “Overtourism”

Overtourism occurs when volume exceeds management capacity or behavior is out of step with local social norms. Both residents and visitors can be contributors to this phenomenon.

By 2019, some of the most desirable tourism destinations worldwide were facing visitation levels and impacts that exceeded their management capacity.

A strong economy and increased lodging capacity from sharing-economy technology paved the way for overtourism impacts because past constraints – such as hotel room inventory – no longer limited growth.

Overuse and resource mismanagement have been a causal force for environmental degradation and reduced quality of life in many destinations.

Climate Change and Climate Action

Climate change threatens communities and tourism destinations worldwide, affecting local weather patterns and increasing extreme weather events like droughts, wildfires, and flooding.

Extreme weather events are reducing snowpack, decreasing snowfall, and creating irregular precipitation patterns that threaten winter sports and water-based activities.

Increased temperatures and wildfire risk will drive travelers to destinations less impacted by wildfire (and smoke), threatening the fabric of economies dependent on tourism which relies on stable climate and weather for outdoor recreation activities.

Since the Glasgow Declaration was launched at the UN conference on climate change in 2021 (COP26), more than 700 tourism businesses and destinations have committed to developing climate action plans, recognizing the need for urgent action and accountability in the tourism industry.
### Global and National Trends

#### Technology and the Sharing Economy

- Sharing economy technology, such as Airbnb and VRBO, accelerated the use of vacation and other homes for transient lodging.
- The sharing economy has increased and dispersed tourism revenue as well as the demand for service workers.
- The sharing economy, along with migration from cities and skyrocketing purchases of second homes, has reduced the availability of long-term rental housing.
- The pandemic experience has fueled a strong consumer preference for private short-term rentals. This segment of the tourism economy fully recovered by April 2021 while the hotel sector is not expected to recover until 2023 at the earliest.
- Smartphones, social media, and other platforms have made it easier for any visitor to promote otherwise isolated areas and experiences.
- The travel economy is projected to lean more heavily into technology to manage visitor flows, deliver insights into customer preferences and behaviors, and mitigate hassles. From new automation technologies to artificial intelligence-powered service robots, technology is changing the delivery of tourism services, a trend that will lead to significant social and behavioral transformations.

#### COVID-19 Pandemic

- The pandemic rapidly shifted tourism from heavily populated cities to outdoor destinations, giving land managers little to no time to prepare.
- Many “new” visitors to America’s public lands and outdoor spaces arrive with little experience and understanding of how to behave on public lands, resulting in adverse environmental impacts and tense relationships with small, rural communities.
- The hospitality, tourism, and recreation sectors suffered catastrophic collapse in early 2020, leading to revenue losses and staffing shortages that have been difficult to recuperate. Soon afterward, many providers were faced with managing a surge in demand, especially in outdoor destinations. Staffing challenges impacted customer service, riling visitors and locals with long waits, and keeping many providers operating below capacity.

#### Outdoor Recreation Trends

- Interest in outdoor recreation has been rising significantly across the country. According to the most recent Outdoor Industry Association 2022 Participation Trends Report, more than 161 million Americans participated in at least one outdoor activity, an increase from approximately 154 million in 2019.
- Since March 2020, the number of new and returning (lapsed) outdoor participants has increased by 26%. The growth in new and returning participants in 2021 was the highest ever recorded.
- However, not all races of people access outdoor recreation at the same level. Currently, 72% of outdoor recreation participants are white. If the participant base goes unchanged over the next 30 years, the rate of participation in outdoor recreation could slip from 54% today to less than 40% by 2060.
- Baby Boomers are one of the fastest-growing segments for outdoor recreation nationally. The number of participants 55 years and older has increased by more than 14% since 2019.
Growing Consumer and Employee Demands for Sustainability and Equity

Consumer attitudes towards sustainability and equity have been strengthening, along with intolerance for companies and places without sustainability and equity policies or actions.

Recently, two large consumer surveys from online booking giants Expedia and Booking.com both showed similar results—concluding that this is a potential watershed moment for sustainable travel. The Booking.com 2022 Sustainable Travel Report showed that 71% of global travelers report a desire to travel more sustainably in the coming 12 months, up 10% from the previous years.

Destination Management and Stewardship

The pandemic accelerated a global conversation about destination management and stewardship that was already underway, particularly in destinations that were suffering from impacts related to overtourism and overuse. The conversation turned to a focus of “building back better” and communities taking time to think about what they want from tourism.

Destinations are making a connection between tourism and local communities and thoughtfully bringing residents and tribal considerations into the destination management and development process.

Destinations globally are centering their management efforts, marketing tactics, and communications around stewardship practices. Examples include: implementing reservation systems in sensitive areas that are overcrowded during peak times, and establishing new taxes or user fees to fund stewardship initiatives and address often hidden costs of tourism, such as increased burdens to waste management and transportation infrastructure.

Leading national, state, and city tourism authorities have begun releasing 2030 tourism plans with a new focus on sustainable tourism and measures of success beyond economic impact, from resident satisfaction, to environmental stewardship, to cultural heritage preservation, and equitable distribution of economic benefits. Examples include New Zealand, Scotland, Finland, Amsterdam, Edinburgh, and closer to home, Oregon.

Like Lake Tahoe, several destinations in the U.S. have launched destination stewardship planning processes, including the Town of Vail, Jackson Hole, and Glacier Country Tourism.

Diversity, Equity, and Inclusion (DEI)

Leading destinations globally are taking a closer look at their organizations and destinations’ internal and external diversity, equity, and inclusion practices.

Reviews of marketing, products, and experiences as well as programs to provide access to underrepresented and diverse populations are part of robust strategies to improve DEI in tourism destinations. Inclusivity practices have included facilitating access to experiences for those with limited mobility or different abilities.

Diversity, Equity, and Inclusion are vital considerations in any strategy moving forward for the Lake Tahoe Region. There is a critical awareness of the importance of addressing access for all populations.
Dynamic global and local forces are creating a new operating landscape in Tahoe.

The Tahoe Region's New Landscape

While global trends are shaping Tahoe's landscape, the region is also subject to local forces that are creating a new operating environment. This dynamic environment provides unique challenges and opportunities for the Tahoe Region to adapt more quickly to the needs of its communities and protect the environment.

Population Changes

By 2030, California’s population is projected to increase by four million to a total of 44 million. According to the Visitor Survey, Californians made up 62% of visitors over the previous 12 months, indicating they are the largest contributors to Tahoe’s tourism economy. The rising state population will drive increases in both visitors and residents.

The 2022 Reno Tahoe International Airport Catchment Basin Analysis shows between 2020 and 2022, 465,000 migrated to the Reno-Tahoe catchment area, and in 2019, net population growth was 9,000. This increase in population will increase demand by proximity for Tahoe’s many amenities.

Tahoe is near several metropolitan areas that are expected to grow over the next two decades. Populations in the Bay Area, Reno, and Sacramento are all forecast to grow by 26-28% over the next 20 years, likely increasing demand for recreation opportunities and the experiences that the Tahoe Region offers.

In-Migration of Remote Workers

There is a perception that remote workers are changing the region’s dynamics: their relocation to Tahoe affects demand for long-term rentals, seems to some to have an impact on the employee housing shortage and high rental prices, and triggers changes to local labor supply. However, remote workers also provide an economic boost to local businesses during the shoulder season when visitation dips.

New residents may bring a different mix of values and arrive with less awareness of existing community culture or the value of tourism to Tahoe's economy. Some newer community members become active in local politics and are engaged in working with the community to improve quality of life.
Out-Migration of Residents

Many who formerly found employment in Tahoe’s tourism industry have left to find more affordable housing, which often leads them to finding employment opportunities outside of Tahoe-Truckee.

The vast majority of in-basin jobs are held by residents; however, commuter numbers have increased, meaning those who remain employed in Tahoe often face long, difficult commutes.

Affordable Housing

The loss of affordable housing and rental availability have dramatically impacted local communities and the supply of workers to meet the basic needs of Tahoe communities.

Firefighters, teachers, nurses, and many local government employees cannot afford homes in the Basin.

Many seasonal workers are challenged to find rooms or spaces to live within their means.

Increased Resident Pushback

Frustration around impacts to quality of life has activated residents to pressure local governments for new regulation of tourism and outdoor recreation.

One outcome of this pushback has been restriction of short-term rentals, including passage of Measure T in South Lake Tahoe, which began phasing out VHRs in residential areas as of Dec. 31, 2021.

Shifts in Gaming

Since the inception of tribal gaming 20 years ago, the number of casinos in northern California has grown to over fifty-five. During the same time, the South Shore’s casino industry employment has declined from roughly 6,000 to 2,500 employees.

The 2021 Nevada Gaming Abstract shows that gaming revenues have declined 36% in the past 17 years from $341M in FY 2001 to $204M in FY 2021.
**Environmental Impacts**

Rising air temperatures and changing weather patterns due to the climate crisis have resulted in declining snowpack, reduced snowfall as a fraction of total precipitation, and extended droughts - catalyzing negative impacts on the ski industry and water sources, increased tree mortality, and elevated risk of wildfire.

The UC Davis Tahoe Environmental Research Center’s 2022 Tahoe State of the Lake Report showed increased algal growth, decrease in zooplankton (algae regulators), and a significant rise in microplastics in the lake, all of which can affect lake health and clarity negatively.

Wildfires threaten air quality, lake clarity, biological diversity, and have the potential to create significant disruption to visitation, development, and tourism.

Aquatic invasive species create greater biological competition for native species, threatening both lake health and water clarity.

Trail erosion, due to increased demand for more remote outdoor recreation experiences, increases threats to native flora and fauna habitats.

Litter in natural spaces - including the lake and trails - has increased the prevalence of microplastics and compounded other threats in the natural environment.

**A Growing Emphasis on Stewardship**

For 20 years, the Lake Tahoe Environmental Improvement Program (EIP) has been a model of broad collaboration between 80 public and private organizations on achieving environmental stewardship goals. Its 2018 Recreation & Scenic Resources Program focuses on “protecting, preserving, and enhancing the nationally significant recreational values of the Tahoe Basin, with an emphasis on increasing public access to Lake Tahoe and its shoreline. Well-planned, designed, and coordinated recreation facilities are needed to provide high-quality visitor experiences while protecting Tahoe’s unique natural resources.”

In 2018, the Tahoe Sustainable Recreation Collaborative, a multi-sector working group of conservation and recreation professionals, private and nonprofit partners, and recreation stakeholders was formed with the vision of a future in which the Basin is both a world-class recreation destination and a global leader in environmental stewardship.

In 2020, Visit California introduced its Destination Stewardship and Sustainable Travel plan, which came out of the recognition that globally, tourism destinations face growing challenges and negative impacts and need to take an active role in the mitigation of those impacts and the pursuit of positive impacts.

A well attended workshop held in February 2021 was another pivotal moment in Lake Tahoe, where 65 participants from more than 30 organizations from all sectors across the Tahoe & Truckee region joined to consider the implications of the COVID-19 pandemic and its compounding effects on a region already under stress.

TRPA’s 2021 Lake Tahoe Recreation & Tourism Playbook outlines a complete set of actions around sustainable recreation and tourism from strategies to encourage behavior change, to education and communications to litter prevention and management, among others.

The region’s DMO strategic plans published between 2015-2021 each point to the intentional shift toward managing for destination stewardship, sustainability, and community wellbeing.

While Travel Nevada’s 2022 Strategic Plan does not have a destination stewardship focus, its vision is to Enhance the Quality of Life for all Nevadans.


The Take Care program ([https://takecaretahoe.org/](https://takecaretahoe.org/)) continues to provide resources for all organizations across the region to share messages about how to better take care of Tahoe. From being safe in all recreation activities, to reducing human-wildlife conflicts, to using public transit, to trail etiquette, conserving water, to preventing wildfire, and reducing plastic use, and litter.
Increasing revenues and the passage of Tourism Improvement Districts (TID) or Tourism Business Improvement Districts (TBID) that allow for broader use of Transient Occupancy Tax (TOT) revenues have combined to strengthen visitor authorities’ capacity to manage tourism and its impacts.

In some cases, the TBID model can provide Tahoe area destination organizations with the ability to apply resources toward addressing local business and community priorities, such as micro transportation services, stewardship messaging, and other initiatives.

Eastern Placer County’s TBID managed by the North Tahoe Community Alliance focuses are on the following:

- **Achievable Workforce Housing Solutions** – Redirected TOT dollars will finance initiatives that increase the inventory of workforce housing
- **Traffic Management** – Redirected TOT dollars will improve traffic circulation and enhance programs that address congestion in peak periods
- **Offsetting Tourism Impacts** – TBID funds will be utilized to reduce tourism impacts on local communities and support trash mitigation efforts across the region
- **Destination Management** – TBID funding will help market the region in need periods and manage responsible travel initiatives for incoming visitors
The following table provides an overview of the Tahoe Region TID budgets and activities.

TABLE 1. Overview of the Tahoe Region TID budgets and activities.

<table>
<thead>
<tr>
<th>TID</th>
<th>Formation Date</th>
<th>Contributing Entities</th>
<th>Annual Budget</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truckee Tourism Business Improvement</td>
<td>2020 (Renewal)</td>
<td>Lodging businesses.</td>
<td>$575,000</td>
<td>Balancing tourism economy with community wellbeing and environmental protection.</td>
</tr>
<tr>
<td>District</td>
<td>2015 (Formed)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Lake Tahoe Tourism Improvement</td>
<td>2019 (Renewal)</td>
<td>Lodging businesses and all of the following under management contracts: timeshares,</td>
<td>$3.1M</td>
<td>Marketing and sales promotions.</td>
</tr>
<tr>
<td>District</td>
<td>2009 (Renewal)</td>
<td>condos, triplexes, duplexes, park model cabins, RVs and homes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2006 (Formed)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Squaw Valley Alpine Meadows Micro Mass</td>
<td>2018</td>
<td>Lodging businesses and ski resort businesses.</td>
<td>$715,000</td>
<td>On-demand shuttle service.</td>
</tr>
<tr>
<td>Transit District (Mountaineer)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eastern Placer Country Tourism and</td>
<td>2021</td>
<td>Lodging businesses, including retail, restaurant, activities, and attractions.</td>
<td>$6M</td>
<td>Marketing, promotions, and special events; visitor services visitor centers operations;</td>
</tr>
<tr>
<td>Business Improvement District</td>
<td></td>
<td></td>
<td></td>
<td>business support and advocacy; economic development and transportation; and sustainability</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>and mitigation of tourism impacts programs.</td>
</tr>
</tbody>
</table>

Courtesy of Lake Tahoe Visitors Authority | Kyle Smaine
**Trend Scouting**

Core Team members were invited to share insights into current and emerging outdoor recreation and tourism trends impacting the Tahoe Region. Their collective insights are as follows.

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### Local Recreation Trends

- **Technology-impacted recreation.** Adoption of technology in outdoor recreation, including an increase in electric sports equipment and app-based planning tools.

- **Non-Motorized recreation.** Increased participation in non-motorized winter and summer recreation activities, such as snowshoeing, backcountry skiing, kayaking, and stand-up paddleboarding.

- **Passive recreation.** Increased passive recreation, such as sightseeing, relaxing at the beach, and enjoying the natural environment.

- **Increase in Camping.** As demand for outdoor recreation has increased, so has the demand for campgrounds. The region may lack the number of available campgrounds and resources (i.e., hookups, etc.) to meet the demand.

- **Increase in novice outdoor recreation users and practices.** The pandemic heightened interest in and demand for outdoor recreation, attracting novices unaware of how to recreate responsibly.

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### Local Tourism Trends

- **Dispersion and shifts in use.** In past decades, much of the tourism activity in Tahoe was centered around casinos. The increasing popularity of outdoor recreation in the region in recent years has led to more visitors being dispersed throughout the basin, beyond the casino cores.

- **Unwanted behavior.** There is a perceived increase in disrespectful behaviors and rudeness in tourism.

- **Special Events.** Increased interest in special events as a demand generator and an activity for visitors and residents to attend. Tourism promotion organizations are using special events to attract visitors and as an activity for visitors already in the market.

- **Changes in Lodging.** Core Team members believe that vacation rentals and higher prices have reshaped the landscape. Many point to vacation rentals as a factor in reducing the workforce supply and affordable housing. In some cases, vacation rentals have negatively impacted the quality of life for residents. As a result, there is a need for better management and oversight of this sector.

- **Market Changes.** Emerging from the pandemic, the Tahoe Region has seen shifts in demand and significant economic gains.

- **Climate change.** Devastation from the Caldor fire will take years to remedy after nearly wiping out South Lake Tahoe and fundamentally changing the visual and biological landscape. Climate change threatens to shorten Tahoe’s ski season, increase wildfire frequency and severity, and reduce the lake’s water levels.

- **Untethered Visitors.** There is a population of “untethered” day visitors to Tahoe that are difficult to reach or track for visitor education purposes.

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Collectively, the Core Team recognizes these points to be representative of the Tahoe Region’s new realities. It will be vital for the region to develop policies and strategies that meet these changes to effectively manage outdoor recreation and tourism for visitors and the resulting impacts on residents.
Part II: Lake Tahoe’s Tourism Economy

Overview

Over the past five years, the Tahoe Region’s economy has undergone profound shifts, with resulting impacts for its social and environment landscapes. By 2021–22, as pandemic travel restrictions continued to ease, many residents felt that crowding and congestion had reached intolerable levels, with some even staging protests and “unwelcoming parties” to deter visitors. South Lake Tahoe’s Measure T, passed in 2018, took full effect in 2021, limiting the inventory of VHRs, and many other jurisdictions began taking steps to limit the prevalence of this lodging category.

To chart a shared vision for the Lake Tahoe Region against this highly charged background, it is critical to begin from a place of shared understanding of the current circumstances. To contribute to this goal, this project included creation of a Tourism Impact Model (TIM) to measure and monitor the economic impacts and outcomes of the Tahoe Region’s visitor economy. The TIM delivers deep insights into the region’s economy from 2018 through 2022 and can be updated in years to come as new data becomes available each month.

It is important to underscore that – unlike other Tahoe models – the TIM focuses only on impacts of the tourism economy. Previous attempts to estimate the number of visitor days in the Basin have led to a general consensus that the Basin receives about 15 million annual visitor days. The Tahoe Regional Planning Agency’s Tahoe Effective Population Model (TEPM) has been a rigorous effort to estimate the total number of people, or the “effective population,” of Tahoe at any given point in time. Thus, the TEPM counts “visitors, short and long-term residents, workers, commuters, and anyone else traveling in the region.” The approach is based heavily on vehicle and traffic data in an attempt to account for every car. The TEPM is based on data collected through 2018 and offers a wealth of insight into commuting and the behavior of all of the people entering the Basin at a given time and does not include Truckee.

As described, its purposes are different from the model created for this study to measure Tahoe’s economic engine of tourism.

The findings deliver deep and sometimes unexpected insights into the many ways tourism impacts the region. Chief among the findings is that the Tahoe Region’s visitor economy attracted its highest visitor numbers in 2019 (approximately 14 million tourist visitor days), rather than in 2021 (approximately 12 million tourist visitor days) or 2022 (approximately 13 million tourist visitor days). In addition, to tourists visiting the Basin, there were upwards of four million visitor days attributable to individuals merely passing through the region and those using facilities, such as beaches and trails, without purchasing admission or services. Note the important distinction between “tourist” visitor days and the additional four million visitor days from people passing through, a segment we label “untethered visitors.” The latter segment has very little impact to the tourism economy and thus are not included in our definition of “tourist visitor days.” Perhaps more importantly, this distinction underlies the consistent results of the TIM and TEPM, strengthening their collective estimate of the number of “tourists” and other people traveling within the Tahoe region. See below for further description of “untethered” visitors. Increases in other populations including residents and commuters converged during 2021 and 2022 to make the region feel more crowded than ever.

The thin lines among the visitors, residents, second-homeowners, and workers whose collective presence makes up the Tahoe community were blurred in part by the fact that higher lodging rates and revenues in 2022 masked lower occupancy rates and lower visitor numbers.

Tourism Impact Model Methodology

The TIM developed for this study quantifies the Tahoe region’s visitor economy using very reputable sources of data. Total visitation calculated for the purposes of this modeling is inclusive of paid overnight visits, nonpaid visits, and day tourist visits. For paid overnight visits, the primary sources are monthly Transient Occupancy Tax (TOT) remittance reports. These publicly available reports provide detailed information on room nights, room revenues, and resulting tax payments by lodging type. These reports were gathered from six geographic regions: the city of South Lake Tahoe and Town of Truckee, as well as lakeside portions of Placer, Washoe, Douglas, and El Dorado counties. The TIM incorporates monthly tax data from 2018 through 2022 and is easily updated over time.

While the TEPM is rooted in measures of the Basin’s vehicle traffic, the TIM draws its insights from a complete accounting of overnight lodging performance. The time-series nature of our TIM allows changes over time to be tracked beginning in 2018 up to the date of the most recent tax reports. For any given point in time, the number of visitors estimated by the model is a subset of the total population estimated by the TEPM for the same point in time. The diagram in Figure 1 shows this comparison conceptually.
To estimate the number of visitors staying in non-paid accommodations, including those who stay with friends or family or in their own seasonal homes, visitor ratios were calculated based on findings of the project’s 2022 Visitor Study and other Tahoe Regional Planning Authority surveys. Findings were further adjusted for relative length of stay and refined for each of the six geographic regions. Assumptions were also pressure-tested against outside sources, including Visit Lake Tahoe’s 2021 Visitor Profile developed by Omnitrok, an independent research firm.

For our TIM, day visitors are defined as those saying they visited for a day, did not stay overnight, and participated in an activity, such as hiking or biking. Day visitors may include people who visit from communities near the Tahoe Region as well as travelers who stop only long enough for a meal, raft a river, purchase souvenirs, and/or attend a concert. Those who stop for gas or food while passing through are not considered day visitors, nor are workers commuting into the Basin from outlying areas. The TIM estimates day visitors in the same manner as visitors who stay in non-paid accommodations.

A finding that approximately 15% of Tahoe’s individual visitors are day visitors is validated by the similar 15-16% findings in the Lake Tahoe Visitors Authority’s Omnitrok study and Tahoe Regional Planning Agency surveys.

We refer to visitors who are either passing through or using a “facility”, such as a beach or a trail, without making a reservation or making a purchase, such as a concert ticket, as “untethered day visitors.”

While visitor spending on lodging comes directly from the region’s TOT reports, other spending – including spending on food, transportation, activities, retail, and other categories – is based on survey data and estimated visitor numbers. Visitors’ overall spending varies with the category of lodging, whether hotel/motel, casino hotel, VHR, etc., and within each of the six geographic locations. For future research and scenario planning, the model offers the flexibility to measure visitor spending by other parameters as well. All mathematical models, including this model and the TEPM, provide estimates subject to variances.

Visitation Numbers

Many believe the Tahoe Region never felt more crowded than in the summers of 2021 and 2022, however tourism-related visitation actually peaked during 2019 with 14.2 million visitor days involving four million visits. July 2019 stands as the busiest month on record. While 2021 and 2022 may have strained Tahoe residents’ patience to the breaking point, 2019 saw about 532,000 more visits from 266,000 more individuals and 1.4 million more tourist visitor days than in 2022.

Total tourist visitor days in 2022 were actually down by 10% from 2019. Over the past five years, 2018 recorded the second-largest number of visitor days, while 2022 was a close third.

Lake Tahoe Visitor Example:
Someone who visits Lake Tahoe two times per year for three days each time is one “Visitor”, two “Visits”, and six “Visitor Days.”
Table 2 below shows recent visitation peaking in 2019 at just over 14 million visitor days from a total of 2.0 million unique visitors. Visitor days in 2022 were far greater than in 2020 but remained 1% less than in 2018 and 10% less than in 2019.

**TABLE 2. Select Annual Visitation Metrics for the Tahoe Region, 2018 to 2022, TIM**

<table>
<thead>
<tr>
<th>Visitation Metric</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Individuals</td>
<td>2,300,000</td>
<td>2,300,000</td>
<td>1,600,000</td>
<td>2,000,000</td>
<td>2,100,000</td>
</tr>
<tr>
<td>Total Visits</td>
<td>4,600,000</td>
<td>4,700,000</td>
<td>3,200,000</td>
<td>4,000,000</td>
<td>4,100,000</td>
</tr>
<tr>
<td>Total Visitor Days</td>
<td>13,900,000</td>
<td>14,200,000</td>
<td>9,900,000</td>
<td>12,400,000</td>
<td>12,800,000</td>
</tr>
</tbody>
</table>

**TABLE 3. Visitation by Category 2018 - 2022, TIM, TEPM, Consulting Team**

<table>
<thead>
<tr>
<th>Visitor Days by Category</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOT Visitor Days</td>
<td>10,100,000</td>
<td>10,200,000</td>
<td>7,000,000</td>
<td>8,900,000</td>
<td>9,100,000</td>
</tr>
<tr>
<td>Non-TOT Visitor Days</td>
<td>2,600,000</td>
<td>2,700,000</td>
<td>2,000,000</td>
<td>2,500,000</td>
<td>2,600,000</td>
</tr>
<tr>
<td>Day Visitor, Visitor Days</td>
<td>1,300,000</td>
<td>1,300,000</td>
<td>900,000</td>
<td>1,100,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Total Tourist Visitor Days</td>
<td>13,900,000</td>
<td>14,200,000</td>
<td>9,900,000</td>
<td>12,500,000</td>
<td>12,800,000</td>
</tr>
<tr>
<td>Untethered Visitor Days</td>
<td>4,100,000</td>
<td>4,500,000</td>
<td>3,200,000</td>
<td>4,000,000</td>
<td>4,100,000</td>
</tr>
<tr>
<td>Total Visitor days</td>
<td>18,000,000</td>
<td>18,700,000</td>
<td>13,100,000</td>
<td>16,500,000</td>
<td>16,900,000</td>
</tr>
</tbody>
</table>
While “day visitors” often shoulder the blame for Tahoe’s traffic congestion during peak periods, analysis shows that day tourists accounted for only 9.4% of total tourist visitor days in 2022 and only 7% of all visitor days.

Arriving at an accurate understanding of visitation also delivers insight into the economic outcomes of tourism for the Tahoe Region.

**Total Direct Spending Results**

Casino lodging, other hotels and properties, and VHRs account for 78% of all visitor spending. Figure 3 below shows total annual direct spending by type of stay, and indicates that in 2022 overall spending exceeded pre-pandemic levels for the first time. All categories showed strong year-over-year growth, including VHR, despite steady elimination of rental units. However, costs have been rising along with revenues. To the extent costs are rising at a greater rate than revenues, Tahoe’s residents and businesses will be under ever-increasing financial strain.

Overall visitor spending for 2022 exceeded 2019 and year-over-year 2022 TOT revenue collections increased in all jurisdictions. South Lake Tahoe’s TOT collections in 2022 were about 10% higher than in 2019. For example, comparing the city’s VHR ADR in July 2022 to July 2019 shows the higher revenues stem from a 57% increase in the city’s average daily room rates and commercial ADR increased 39% comparing the same two months. During that year, fewer visitors to South Lake Tahoe were generating higher revenues. This example provides further support for the finding that total visitation for 2022 was below 2019 levels, and that other factors combined to explain why congestion seemed worse. Likely among these were the region’s increasing population, rising desire to experience the outdoors, and the necessity for more service workers to commute to their jobs in Tahoe from more affordable housing elsewhere.

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**FIGURE 3.** Total Direct Monthly Visitor Spending by Type of Lodging for South Lake Tahoe, Truckee and portions of Placer, Washoe, Douglas, and El Dorado counties, TIM

**TOTAL ANNUAL DIRECT SPENDING BY VISITOR LODGING CATEGORY**

---

**FIGURE 4.** Average Home Value according to Zillow Home Value Index (ZHVI) in South Lake Tahoe, Tahoe City, Incline Village, and Truckee (2000-2022).
MONTHLY RENT PRICES 2017-2022 (ZILLOW OBSERVED RENT INDEX)

FIGURE 5. Average Observed Monthly Rental Price according to Zillow Observed Rent Index (ZORI) in South Lake Tahoe and Incline Village (2017-2022).

FIGURE 6. City of South Lake Tahoe Average Daily Rates (ADR) for Hotel (Commercial) vs VHRs, derived from the City’s monthly TOT tax reports and the Tourism Impact Model.
**Vacation Home Rental Results**

The rising influence of Tahoe’s VHR sector to its economy is shown in Figure 7, which illustrates the share of direct visitor spending attributable to the growth in preference for this form of lodging. While this category accounted for just 18% of visitor spending in early 2018, following the pandemic the share of spending by visitors staying in VHR lodging has often exceeded 25%. The modest reduction in 2022 may be the result of Measure T in South Lake Tahoe.

The City of South Lake Tahoe’s share of the VHR market has declined with full implementation of Measure T (2021), which bans short-term rentals in residential areas – shown in figure 8 below. Such examples can be used in scenario planning to forecast the outcomes of alternative approaches to tourism management, such as changing the visitor mix, altering the lodging mix, or adopting various dispersal strategies. Note: 30-day minimum stays are still allowed in VHRs in South Lake Tahoe after the passing of Measure T.
Applying the Tourism Impact Model to Scenario Planning

In another example useful for scenario planning, Figure 9 shows the economic outcome of policies designed to increase the use of electric vehicles by South Lake Tahoe visitors. Because research shows that EV drivers have higher net worth and spend more money, as they become a larger share of the visitor mix, the total revenue per visitor would increase.

Total Economic and Environmental Impact Results

Other key outputs of the economic modeling include insights into the overall picture of Tahoe’s economy, including total economic impacts and overall environmental impacts of tourism. The total economic impact of direct tourism spending is estimated using IMPLAN, an economic impact model commonly used for federal land use permitting, economic development, and other government approvals. IMPLAN, which draws from government data, provides insights into various economic functions, from employee compensation to environmental impacts. IMPLAN estimates total economic activity resulting from total direct spending and multiplier effects of indirect and induced spending. Indirect spending is commonly referred to as supply chain spending. A good example would be a motel outsourcing laundry services. Induced spending occurs when employees spend their paychecks on such needs as childcare. Future research using Tahoe-specific IMPLAN data would produce even more precise estimates of Tahoe’s economy.

The total impact of annual visitation spending from 2018 to 2022 is shown in Table 4 below. Total impact includes direct spending combined with indirect and induced spending impacts. In 2022, the total value of all goods and services produced exceeded $11 billion. In 2020, employment dropped by over 22,000 jobs. Anecdotally, we know that as a portion of these workers vacated housing units, those units became occupied by remote workers. When the economy recovered in 2021, many returning employees were not able to find housing and were forced to commute. The TEPM-referenced studies conducted prior to the pandemic found that as many as 15,000 workers commuted into the Basin, though the range of estimates varied widely and the TEPM methodology referenced many different estimates.
Labor income represents the total value of all forms of employment income paid throughout an economy. It reflects the combined cost of total payroll paid to employees (e.g., wages and salaries, benefits, payroll taxes) and payments received by self-employed individuals and/or unincorporated business owners (e.g., capital consumption allowance).

Intermediate expenditures are supplies needed to operate business, for example, a restaurant buying raw food or a sightseeing company having a vehicle repaired.

Taxes on production and imports (TOPI) generally include all taxes other than income taxes. Other property income (OPI) is return to capital and profits. Total output is the value of all goods and services produced by the defined economy.

The total value of Tahoe’s tourism economy exceeded $11 billion in 2022.

All Tahoe Region governmental jurisdictions benefit greatly from tourism-generated taxes. Table 5 shows annual tax impacts for various taxing categories. Sub-county authorities are generally municipalities.

### TABLE 4. Total Economic Impact of the Tahoe Region’s Tourism Economy, dollar values are billions and 2022 dollars, IMPLAN

<table>
<thead>
<tr>
<th>Year</th>
<th>Jobs (Tahoe-Truckee)</th>
<th>Labor Income</th>
<th>Intermediate Expenditures</th>
<th>TOPI/OPI</th>
<th>Total Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>72,484</td>
<td>$3.4b</td>
<td>$4.1b</td>
<td>$2.2b</td>
<td>$9.6b</td>
</tr>
<tr>
<td>2019</td>
<td>77,430</td>
<td>$3.6b</td>
<td>$4.3b</td>
<td>$2.3b</td>
<td>$10.3b</td>
</tr>
<tr>
<td>2020</td>
<td>55,015</td>
<td>$2.6b</td>
<td>$3.1b</td>
<td>$1.7b</td>
<td>$7.3b</td>
</tr>
<tr>
<td>2021</td>
<td>74,937</td>
<td>$3.5b</td>
<td>$4.2b</td>
<td>$2.3b</td>
<td>$10.0b</td>
</tr>
<tr>
<td>2022</td>
<td>84,364</td>
<td>$3.9b</td>
<td>$4.7b</td>
<td>$2.6b</td>
<td>$11.3b</td>
</tr>
</tbody>
</table>

### TABLE 5. Annual Tax Revenue Impacts on Tahoe’s Current Baseline Economy, 2022, IMPLAN

<table>
<thead>
<tr>
<th>Type</th>
<th>Sub-County</th>
<th>Special Districts</th>
<th>County</th>
<th>State</th>
<th>Federal</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$73m</td>
<td>$74m</td>
<td>$49m</td>
<td>$207m</td>
<td>$393m</td>
<td>$796m</td>
</tr>
<tr>
<td>Indirect</td>
<td>$19m</td>
<td>$18m</td>
<td>$12m</td>
<td>$64m</td>
<td>$190m</td>
<td>$304m</td>
</tr>
<tr>
<td>Induced</td>
<td>$37m</td>
<td>$37m</td>
<td>$25m</td>
<td>$116m</td>
<td>$283m</td>
<td>$497m</td>
</tr>
<tr>
<td>Total</td>
<td>$129m</td>
<td>$129m</td>
<td>$86m</td>
<td>$387m</td>
<td>$866m</td>
<td>$1,597b</td>
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</table>

Courtesy of Tahoe Regional Planning Agency
IMPLAN estimates environmental impacts as well as economic impacts. While tourism delivers many economic benefits to the Tahoe region, it undoubtedly takes a toll on the environment. Impacts of Tahoe’s current economy in 2022 included pollutants, greenhouse gasses, water degradation, and water use. As alternative management scenarios are modeled, they can be evaluated based on environmental impacts, taxes, and other impacts in addition to economic impacts. Pollutants including GHG, nitrogen and phosphorus are measured in kilograms, and water in cubic meters. With numerous existing metrics on environmental data, further work to validate and compare this IMPLAN data against existing metrics could prove beneficial.

### Key Takeaways - Visitation Numbers

The TIM developed for this project provides the Tahoe Region with a brand new resource for evaluating the impact of alternative policies on the economy and monitoring the results of selected policies over time. It is not designed or intended to replace any of the existing visitation models in use, including the TEPM. Rather, by integrating the TIM with the TEPM we gain even greater understanding of the Tahoe community and its economy. The TIM is specifically designed to deliver insights into the economic and environmental impacts of tourism, not just visitation. Using the TIM, alternative strategies can be modeled to inform future decisions and develop effective management policies.

<table>
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<th>Environment Satellite</th>
<th>Criteria Pollutents</th>
<th>Greenhouse Gasses (kg)</th>
<th>Nitrogen &amp; Phosphorus Release to Water (kg)</th>
<th>Water Use (m³)</th>
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</thead>
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<tr>
<td>Indirect</td>
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<tr>
<td>Total</td>
<td>19.6m</td>
<td>1.87b</td>
<td>1.2m</td>
<td>363m</td>
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</table>
Part III: Visitor and Resident Insights

Visitor Profile Study - The Visitor Perspective

In July 2022, the Project Team fielded a Visitor Survey with support from the four Lake Tahoe visitor authorities who distributed it to their first-party databases, yielding over 2,343 responses. Key takeaways are as follows:


Outdoor Recreation

Visitors participate in a large variety of outdoor recreational pursuits. Hiking is the most popular outdoor recreation activity, with 41.4% of visitors engaging in this activity. The next most popular outdoor activity at 17.5% was kayaking, canoeing, or boating.

Full range of visitor participation in various outdoor recreation activities are shown in Figure 10. While these diverse interests may serve to disperse visitors around the lake, they also point to significant management challenges, requiring unique solutions for each activity.

Visitor Perceptions

Visitors are highly likely to recommend a Lake Tahoe vacation to a friend or relative. On a scale of 1 to 10, with 10 being Extremely Likely, visitors rated their likeliness to recommend Lake Tahoe as a 9, clearly indicating their positive feelings toward the region.

Visitor Stewardship

Approximately 88% indicate a destination’s sustainability and stewardship practices are at least somewhat important in their selection of a place to visit.

82% believe they do their part to keep a destination clean when they visit.

71% say they are mindful and respectful of the natural environment.

48% indicate they are definitely or very likely to use a free or low-cost parking reservation system to experience activities that are important to them.

A portion of visitors are willing to change their behavior to adapt to traffic and congestion.

- 32% would definitely or likely would use public transportation if available.
- 27% would change their departure time or arrival time.
- 25% would use a bike or an e-bike.
- 23% would change the days of the week they visit.
- Only 15.3% indicated they would change the time of year they would visit.

Traffic Crowding, Congestion

44% indicated they had experienced significant traffic, congestion, or lack of parking on their last trip.

60% anticipate congestion, traffic, and parking worsening over the next five years.
Resident Survey - The Local Perspective

The Project Team conducted a Resident Survey for the greater Lake Tahoe Region from 1,040 completed surveys are shared below.

Quality of Life

Approximately 86% of survey respondents indicate their quality of life is significantly better than the rest of the United States.

Approximately 83% of survey respondents indicate their quality of life is significantly better compared with other parts of California and Nevada.

Perspectives on Tourism

62% of survey respondents agree tourism and recreation are critically important to the Tahoe Region’s economic health.

More than 50% indicate crowding and congestion are an issue up to 120 days a year.

29% agree that tourism and recreation provide economic support to preserve natural resources, habitats, and ecosystems, including the lake.

More than 75% of respondents do not see tourism and recreation as supporting quality of life or community.

At a macro level, residents appear to understand the importance of tourism for the region’s economic health; however, it appears that residents have limited agreement on other aspects of tourism and its overall impact on their community and quality of life.

What Needs to Be Done

92% agree that threats to lake water quality, like trash, pollution, and invasive species, must be addressed and improved within the next three years.

After experiencing the Caldor fire in 2021, 91% agree with the need to address wildfire risk from destructive behaviors within the next three years.

80% agree lack of monitoring and enforcement of regulations (on the lake, parking, litter, congestion, etc.) need to be addressed in the next three years.

75% agree that support for more frequent trash pickups and increased capacity for managing litter are essential over the next three years.

Highest Priorities

77% identify stronger enforcement of litter violations as a high priority.

75% believe more frequent trash pickups and capacity (trash cans and receptacles) is a high priority.

68% identify stronger enforcement of parking regulations as a high priority.

Visitor Focus

When asked what types of visitors they would like to see in the Tahoe Region, 90% favored visitors who share a respect for Tahoe’s natural resources.

Only 30% favored visitors who contribute most to the local economy.

While 69% favor visitors who share a respect for the “local lifestyle”, 60% would appreciate visitors who are interested in leaving a lighter carbon footprint when they travel.

Analysis of Visitor Survey and Resident Survey responses suggest potential for attracting visitors whose values toward destination stewardship align with those of residents. This alignment holds promise for Tahoe to shape a future tourism economy that delivers economic, cultural, and environmental benefits. Further findings of the Resident Survey are shared in the Summary of Stakeholder Engagement Tactics presented to the Core Team.
Part IV: Opportunity Analysis

The opportunity analysis is a framework for identifying and analyzing the region’s threats, assets, liabilities, and opportunities. The Core Team was invited to provide their input and the results from their responses are provided below.

**Political Impact**

Political shifts in governing institutions can create volatility, making it more challenging for different agencies to work together.

As noted, threats are primarily elements outside agency and destination control. It is essential to consider resiliency to withstand some of these threats when they occur.

**LIABILITIES**

**Visitor vs. Local Strife Dynamics**

Some residents feel frustrated toward “outside visitors.” There is a need to address the root concerns causing the frustration.

**Lack of Shared Vision**

Businesses, organizations, residents, and agencies are not coming together around a shared vision of what the region should be known for and what expectations we have of people that recreate and visit Tahoe.

**Traffic Congestion**

Traffic and parking negatively affect visitor and resident experiences leading to a negative impression of Tahoe, compounding potential resident and visitor conflicts.

**Transit**

Over-reliance on personal vehicles to access recreation sites causes congestion, lake water clarity loss, increased emissions, etc.

**User Facilities**

Too few trash receptacles and bathrooms which lead to more waste, trash, and negative human impact on the environment.

**Vacation Rentals in Neighborhoods**

Vacation rentals further raise concerns about parking, noise, and trash in residential neighborhoods. This has increased conflict, as visitor tax dollars and spending are welcome, but their impacts on local neighborhoods are not.

Addressing these liabilities requires significant collaboration among the agencies.

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**THREATS**

**Climate Change**

Fluctuating lake levels, unstable snowfall and snow pack, wildfires, and smoke will all become more frequent and extreme, potentially harming the economy and environment.

**Environmental Impacts**

Environmental degradation threatens Tahoe’s uniqueness, including its sense of place which is built on an intuitiveness and connection that Tahoe is precious and should be cared for.

**Natural Resource Impact**

Impacts on natural resources include water quality, wildfire and smoke, litter, and bio-waste.

**Worsening Congestion**

Worsening crowds cause some areas to be overused and severely impacted, further negatively impacting overall quality of life.

**Economic Impact**

The primary tourism economy is impacted by inflation, gas prices, and the economic cycle, which impacts consumer travel spending.

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**ASSETS**

**OPPORTUNITIES**

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ASSETS

Environmental Related
Tahoe’s lake, landscapes and scenery, mountains, weather, and all-season opportunities for outdoor activities.

Infrastructure Related
Bike Paths, including existing bike paths and the network’s continued expansion, and the many trailheads near neighborhoods.

Extensive variety of hiking trails for all levels.

Variety of accommodations for visitors interested in different levels of amenities and types of activities.

Systems Related
Destination Management Organizations (DMOs) are shifting to a visitor management focus and are interested in partnering with more community interests. Marketing and branding is a tool to foster social, cultural, economic, and environmental sustainability, the retention of community culture, the best of outdoors and urban nightlife, and deep-seeded collaboration that is ingrained in Tahoe’s DNA.

Collective agreement among visitors and residents that lake clarity and environmental protection are top priorities.

Public Lands
Wealth of public lands and open space in Tahoe for visitors and residents.

The identified assets are primarily natural resource-based. However, additional assets need to be considered, including harnessing residents and visitors as assets to create a more bottom-up approach to sustainability.

OPPORTUNITIES

Infrastructure/Activities
The concerted focus on building bicycle infrastructure basin-wide is an opportunity to transform the transportation system. Expansion of bike trails is the best “bang for the buck” to get people around easier, without cars, and still enjoy the environment. Priority should be expansion of and connection of the bike trail system, and the opportunity to connect other infrastructure - like multiple ski resorts - in the Tahoe basin.

Extensive variety of hiking trails for all levels.

An increasing number of bike trails now allow E-bikes.

Increasing accessibility for non-motorized watercraft.

The general popularity of human-powered recreational pursuits like hiking, biking, paddling, backcountry skiing, etc. These are lower-impact activities than water skiing, dirt biking, gaming, etc.

Transit/Parking
Provide comprehensive transit that connects people to places in a way that enables less private vehicle travel. Implement free transit to all trailheads.

Recognizing the potential to leverage the lake for additional transportation opportunities.

Adding transit, parking lots, and bathrooms to reduce parking on the highway would improve the degradation on the East Shore and near Emerald Bay.

Destination Management
Create an effective coalition to manage destination stewardship for the region.

Identify potential consumer spending streams to create a funding endowment to support investment in recreation infrastructure, operations, and maintenance.

Charging usage fees to help mitigate maintenance costs.

Development of a reservation system to manage use numbers, traffic congestion, and user experience.

Ensure diversity and equal access in all areas of the Lake Tahoe experience.

Create year-round activities/facilities to disperse the heightened seasonal demand.

Focus on developing world-class events like Iron Man, mountain bike races, etc., and integrate appropriate messaging to position the region as an outdoor destination that cares about stewardship.
Communication

Develop coordinated stewardship messaging between DMOs and agencies as appropriate. Messaging should build upon decades of famous environmental protection work to expand stewardship-focused ethos for visitors and residents.

Identify specific actions to help educate and influence visitor/new user behavior.

Continue to reposition Tahoe’s image as a destination that emphasizes sustainability in all areas and amongst all visitors, residents, and levels of government.

Focusing more efforts to inspire stewardship and financial support - “give back.”

Expanding the tourism message that Tahoe is a treasure and incorporating the “Take Care Tahoe” message into more marketing campaigns, as appropriate.

Development of a “Use Ethic” that instills caring for and investing in public lands as part of the Tahoe experience.

Economic Development

Leverage the outdoor recreation image to recruit outdoor companies as a part of economic development and diversification.

Support private-sector business opportunities that combine stewardship and outdoor recreation.

Promote economic development as improvements that benefit both visitors and residents.

As has been identified, the region has significant opportunities across various areas. The critical question is: can agencies, residents, DMOs, and government work together to overcome the region’s liabilities?
Tahoe’s tourism economy generates $4.5 billion in direct spending and $11 billion in overall economic impact.
Part V: Discussion

The below points are a distillation of key findings from the Project Team’s primary research, which include the previously described Visitor Survey, Resident Survey, and Tourism Impact Model, unless otherwise stated.

Tahoe’s tourism economy is a mighty economic engine, generating nearly $4.5 billion in direct expenditures and $11 billion overall when indirect and induced spending are considered, based on estimates from the Tourism Impact Model and IMPLAN. To safeguard the future economic health of the Tahoe Region, it will be vitally important to manage tourism in ways that continue to deliver strong economic benefits, including tax revenues, that can be deployed to address impacts. Local governments alone -- county, special districts and cities -- are estimated to collect over $340 million in tax revenues arising from tourism in 2022, and the state collected over $380 million, on the basis of IMPLAN’s U.S. national average data and the TIM.

Tahoe’s Tourism Economy supports over 84,000 livelihoods.

Our economic modeling estimates Tahoe’s tourism economy (including Truckee) supports approximately 84,400 jobs, many of which belong to people living outside the Basin and Truckee. In 2022, these jobs earned $3.9 billion in labor income, for an average annual labor income of $46,000, a lower wage job when compared to Tahoe’s cost of living. Given the size and importance of this labor sector to the local economy, it will be important to find ways to support these workers’ needs, particularly through transportation and housing solutions that reduce their expenses, traffic congestion, and commute times.

Residents and Visitors Alike, Align on the Importance of Sustainability and Stewardship

According to the Resident Survey, 91% of residents prefer visitors who share a respect for Tahoe’s natural resources. From the Visitor Survey, 89% of visitors at least somewhat agree that a destination’s support for environmental sustainability drives their choice of destination. This shared agreement on sustainability principles, represented below in Figure 11, presents an opportunity to build on the shared values of residents and visitors.

Outdoor Recreationists are Most Likely to Value Sustainability and Stewardship

An analysis of those who said a destination’s sustainability is Very Important to them shows that Kayakers, Road Bikers, and Hikers are most likely to value this quality. The Visitor Survey also showed destination sustainability and stewardship is important for more than half the visitors in activity categories that attract larger shares of visitors, including dining, sightseeing, entertainment, shopping and gaming. For example, 51% of gamblers say a destination’s sustainability practices are important to them, and 25% of Tahoe visitors say they have engaged in gaming.

Visitors Remain Highly Positive about the Tahoe Experience

One of the most reliable measures of satisfaction with a destination is visitors’ willingness to recommend it to others. According to the Visitor Survey, Tahoe’s visitor satisfaction is very high, with respondents’ likelihood to recommend Tahoe as a vacation destination averaging a score of 9 out of a possible 10 points. Respondents shared highly positive responses to an open-ended question asking what first comes to mind when they think of the Tahoe Region. Some of their responses included “Natural beauty”, “beautiful lake”, “skiing”, “hiking”, and “fresh air”. Respondents showed willingness to accommodate the sole cited negative response, “Crowding”. Nearly 60% said they were willing to adjust their next trip to avoid traffic congestion, while 30.8% said congestion would have no impact on planning for their next trip. Only 1.0% said they would not visit Tahoe in the future, while nearly 10% said they would be less likely to visit.
Residents have Mixed Feelings About Tourism.

While the Resident Survey remains open for now, clear trends are emerging from more than 1,000 responses to date. Residents strongly agree that tourism and recreation are important to the Tahoe Region’s economic health and that they create business earnings and opportunities to start businesses as well. Residents also agree that tourism gives them access to enjoyable events and other amenities, while providing “good job opportunities.” However, local leaders need to be aware that residents believe the negative impacts of tourism are currently outweighing the positives. This points to the critical need to address and manage the negative impacts of tourism before support for a critical part of Tahoe’s economy erodes even further. Since tourism relies on the goodwill and support of residents, their participation in tourism is critical for its development and operations.

Residents’ Top Concerns to be Addressed by 2026 are Mainly Environmental.

Residents were unified in identifying the most important concerns to be addressed over the next three years. All of these concerns have potential for being addressed in that timeframe through concerted regional effort and political will. While all of these concerns scored similarly in Resident Survey responses, their order of importance is as follows: increased wildfire risk from careless behavior, threats to lake water quality, trash and litter, threats to wildlife habitat, disrespectful and careless behaviors (including trespassing), and traffic congestion. While listed as important, concerns about parking were ranked slightly less important, and concerns about affordable housing trailed all of the above.

Tahoe Visitors Mostly Stay Overnight and Average Two Trips per Year.

The Visitor Survey shows that approximately 83% of Tahoe’s visitors stay overnight. This closely aligns with findings of Visit Lake Tahoe’s 2021 Omnitrak Visitor Survey, which found that 16% of visitation involved day visitors. The Visitor Survey found that nearly 54% of those who stayed overnight in Tahoe in 2021 took multiple trips, with 26% taking three or more trips. While about 46% took just one trip, Tahoe’s overnight visitors took an average of two trips in the past 12 months. Data showing repeat visitation to Tahoe demonstrates loyalty to the destination. Repeat visitation also points to greater opportunity for influencing positive behavior amongst those in Tahoe’s visitor base.

The Majority of Tahoe’s Visitation Comes from its Two Border States.

While Tahoe is known globally, analysis of TOT, Implan, and Visitor Survey data show that nearly two-thirds of visitors come from its two border states, 56% from California and 10% from Nevada. Of California visitors, 75% come from nearby Northern California, while 20% come from Southern California. Tahoe’s status as a more regional destination creates highly efficient opportunities for sharing stewardship messaging. Tahoe potentially could drive more spending per traveler by attracting more longer-haul travelers, who tend to spend more per trip. Only 22% of Tahoe travelers currently arrive by air mostly through Reno, with the vast majority arriving in a vehicle. The localized nature of Tahoe’s visitation also is reinforced through this study’s identification of its competitive set—primarily other California destinations, especially the Monterey area along with the Napa and Sonoma wine regions.

Day Visitors Strongly Support Sustainable Practices and Environmental Stewardship.

There’s a common mindset that “It’s the day visitors that are causing all the problems,” but the Project Team’s research shows that day visitors are the most likely to say that a destination’s sustainability and stewardship practices are “Very Important” to their choice of destination. According to the Visitor Survey, a total of 62% of day visitors say sustainable destination practices are “Very Important,” compared with 55% of all visitors. This could be because many day visitors are outdoor recreators, who are most likely of all visitors to value sustainable practices. A divisive mindset around who is causing impact could interfere with coming up with the right solutions to address them. 33% of Day Visitors say they would change their behavior to avoid traffic congestion, potentially because they do not have the flexibility to do so.
> **Tahoe’s Visitation Numbers Differ from Popular Perception.**

A belief that Tahoe attracts 15 million visitors a year has become a flashpoint for frustration expressed in news reports and conversations all around the lake. An analysis conducted for this plan -- drawing upon actual TOT revenues, actual paid room nights, the IMPLAN model, and findings of the Visitor Survey -- arrives at a different conclusion. According to this work, in 2021, Tahoe accommodated 12.4 million visitor days. These involved 1.98 million unique visitors, including 295,123 day visitors. The overnight visitors took an average of two trips, staying an average of 4.4 days on each trip. To arrive at effective destination management strategies, it is critically important to rely on current and accurate data. It will be vitally important for decision-making to carefully monitor visitor numbers, and additional research may be warranted.

> **2021 is seen as Tahoe’s Most Congested Year, but 2019 Appears to have Attracted More Visitation.**

Many say Tahoe never felt busier than in 2022, but an analysis of visitation (as described above) shows that Tahoe’s busiest year for visitation was in 2019, with 1.98 million unique visitors contributing to 14.2 million visitor days. Changes brought about by the pandemic point to some possible explanations. Tahoe’s population increased from 2019 to 2020 for the first time since the 2000 census, according to new Census data. The population likely continued increasing with the arrival of remote workers and other new residents who relocated to be closer to the outdoors and activities they enjoy. Additionally, rising housing prices - driven in part by these new arrivals - forced many local workers into longer commutes. The impacts of new residents are easily confused with the impacts of visitors. Lower 2022 visitor numbers also can be traced to lower occupancy rates for local hotels, including casino hotels. While short-term rentals recovered their 2019 occupancy rates by April 2021 nationwide, hotels - especially those dependent on business travel - are not expected to fully recover until 2023 at the earliest and possibly not until 2024, according to TOT reports.

> **Tahoe has Many Tools at its Disposal to Manage Demand.**

The region has many tools at its disposal for managing demand and resources. Pricing always plays a major role in traveler decision-making. The region also could consider fees for participation in various activities or for parking and the use of reservation or timed entry systems. Visitor Survey findings indicate a willingness among some visitors to consider these kinds of alternatives.

> **While Unpopular Locally, VHRs are Popular with Consumers and Drive Higher Revenue.**

Many jurisdictions around the lake are taking steps to limit or ban the availability of short-term/VHRs in response to concerns by local residents. However, local governments may wish to consider alternatives, such as stronger regulation or confining development to non-residential areas. Local VHR revenues have increased steadily over the past five years, despite efforts to curtail their numbers. Across the U.S., consumer demand for VHRs is rising faster than demand for hotels. TOT tax collection data shows that VHR is the only lodging category yielding revenues higher than in 2019, even with South Lake Tahoe’s Measure T nearing full implementation. Curtailing opportunities for short-term rentals could impact Tahoe’s attractiveness for future generations of visitors. The Visitor Survey shows VHRs accounted for 26.9% of all overnight stays, with hotels the choice of 29.9% and casino hotels of another 16.2%.

> **Awareness Levels of Take Care Tahoe Point to Opportunities for Further Education.**

Take Care Tahoe messaging, an effort of 50 organizations on the Take Care Tahoe Team, aims to encourage people to protect Tahoe’s natural resources. While the messaging has been in-market for many years, only 31% of all Visitor Survey respondents, and 29% of those who identified as day visitors, stated they were aware of the campaign. Awareness is much higher among visitors who say a destination’s sustainability practices are important, with 63% showing awareness. This points to a significant opportunity to increase awareness of desirable visitor behaviors.
Tahoe Visitors are More Likely to Drive Plug-in Vehicles than the General Population.

While U.S. Bureau of Transportation Statistics show that 8.7% of Americans drive plug-in vehicles (electric and hybrid), about 13.7% of Tahoe visitors use them according to the Visitor Survey. This likely is one outcome of 56% of Tahoe visitors coming from California. With just 11.7% of the U.S. population, California accounts for 43% of the nation’s plug-in vehicles according to the state’s Air Resources Board, giving it by far the highest rate of adoption. Use of a plug-in vehicle correlates highly with interest in environmental stewardship and interest in climate action, according to the Visitor Survey.

Tourism Generates Pollution and Greenhouse Gasses, Erodes Water Quality, and Increases Water Use.

One serious negative consequence of tourism is its impact on environmental quality. IMPLAN data points to impacts on production of criteria pollutants, greenhouse gasses, degradation of water quality, and significant water use. It is critically important for the region to continue to find ways to offset these impacts of its major industry.

Tahoe is not Seen by All Visitors as a Welcoming Destination.

While visitors love Tahoe, they aren’t overwhelmingly feeling the love from people who live there. Visitors rated Tahoe 3.45 on a 5-point scale for its welcome. A rating of 4 is ideal (and 5 very difficult to attain). It is possible that growing resident pushback, and even resident demonstrations against visitors are taking a toll on Tahoe’s image for visitors. It is a useful baseline measure to monitor over time.

Tahoe has the Opportunity to Attract More Diversity.

Although both of the Tahoe Region’s main feeder states have highly diverse populations, its visitors tend to be mostly white. South Lake Tahoe’s Omnitrak study showed 67% of visitors in 2021 were white, with a large share of respondents to that study identifying as Asian-Pacific Islander visitors, while 80% of respondents to the 2022 Visitor Survey were white. It will be important for the region to prioritize diversity and inclusion as part of a shared vision.

Courtesy of Lake Tahoe Visitors Authority
Conclusion

The Tahoe-Truckee Region faces challenges to its natural environment, its tourism and outdoor recreation economy, and its local communities. Forces of change at play include continued knock-on effects to the economy from the pandemic, surging interest in outdoor recreation, climate change, evolving technology, and a global shift toward destination stewardship including efforts to improve diversity, equity and inclusion. Local forces include population changes with migration trends both into and out of the basin, increased cost of living making already scarce housing less attainable for workers across all sectors, and continued challenges that smaller communities with large visitor economies face around shouldering burdens to infrastructure, including transportation and waste management. The challenges are complex, particularly due to the multi-jurisdictional nature of the region; however, they are not insurmountable. The Lake Tahoe Region has the human resources, the passion, and the shared desire to meet these challenges. It will be important for local leaders to recognize the opportunities that meeting these challenges provides.

To achieve long-term success, it will be essential to consider a holistic perspective and implications for communities, businesses, and the environment in developing solutions. These solutions must be nimble enough to adapt to change, and will require the adoption of more innovative governance, communication, and management policies for the region. The path forward must also be reframed through a management lens that considers day visitors, overnight visitors, residents, businesses, and workers as important contributors to a thriving Tahoe.

It is the Project Team’s hope that the data around the size and nature of Tahoe’s tourism economy, coupled with evidence of alignment between the majority of visitors and residents around the importance of stewardship, will strengthen a foundation upon which the shared vision can stand. Results from the stakeholder engagements will build on this further, revealing where there is unity and commonalities across many varied groups that live, work, and do business here.
## Existing Tools and Resources

This situation analysis aims to serve as a valuable decision-making and destination management tool for the Core Team and Lake Tahoe Destination Stewardship Plan. As such, this analysis builds on an exhaustive catalog of resources that have been developed by the Core Team’s many institutions. Prior to arriving at this destination stewardship planning process, regional stakeholders carried out on-the-ground research, fieldwork, and knowledge sharing to understand and protect the basin’s tourism landscape.

### Destination Stewardship

In 2018, the Tahoe Sustainable Recreation Collaborative, a multi-sector working group of conservation and recreation professionals, private and nonprofit partners, and recreation stakeholders, established a sustainable recreation charter. Through the charter, the group developed goals, objectives, and established structure for promoting high quality outdoor recreation opportunities, while also preserving the basin’s cultural and natural resources.

In 2020, Visit California introduced its Destination Stewardship and Sustainable Travel plan, a document that detailed generational views on tourism and stewardship in the state. The document highlighted Visit California’s role in stewardship, while also presenting findings about stewardship in the state and other global examples of destination stewardship.

In 2021, the North Lake Tahoe Community Survey conducted by Placer County and the North Lake Tahoe Chamber and Resort Association revealed a “great need” for additional funding to provide local services. The survey also revealed that the vast majority (91%) of the local community view maintaining local quality of life as at least, very important.

In support of the Sustainable Recreation Working Group, a 2018 Report and literature review prepared by the Desert Research Group detailed potential environmental impacts of outdoor recreation on the Tahoe Basin. The Recreation Associated Impacts in the Lake Tahoe Basin report detailed a wide-range of ecological, infrastructure, and health-related impacts resulting from outdoor recreation activities.

### Economic Development

Tahoe Prosperity Center’s 2021 Baseline Report for the Tahoe Basin, sought to provide baseline information to foster dialogue around joint planning and actions to improve long-term economic prosperity. The report found that the number of year-round residents in the basin declined 11% between 2010-2020, while construction grew by 57% and visitor-related businesses increased from 40%-62% of all economic activity in the basin.

Furthermore, in June 2022 the Tahoe Prosperity Center published the Envision Tahoe Prosperity Playbook, to envision a more diversified, resilient, and inclusive future economy. The playbook recommended actions to address some of the region’s most pressing challenges - housing, traffic & transportation, and tourism.
**Population Data**

2020 Census Redistricting Data revealed a total population of 55,667 in the basin, a 63.6 diversity index, 49,282 housing units, and a 2.25 average household size.

In conjunction with the University of Nevada, Reno, and UC Davis, the Tahoe Regional Planning Agency (TRPA) presented the "Effective Traveling Population of the Lake Tahoe Region". The report detailed the Tahoe Effective Population Model, a new approach to estimating annual average daily effective population.

Tahoe Prosperity Center’s 2022 Community Report showed a decline in population up until 2020 when growth accelerated again (which we know continued in 2021), but with a declining student population over the same years. It also found an increase in diversity over the past 10 years, and a very small increase in housing units (1.35% from 2010 to 2020) and median home prices increasing threefold since 2012 from $300,000 to over $950,000.

**Recreation Experience and Access**

Numerous surveys, reports, and collaborative initiatives paved the way for the development of this Destination Stewardship Plan.

TRPA carried out the following surveys in the lead up to 2022:

- A 2019 Shoreline Recreation Survey pointed to crowding as the most significant safety concern for all types of visitors recreating along points all around the lake.
- Sustainable Recreation Visitor Experience Survey
- Sand Harbor Recreation Survey

Other surveys carried out prior to this situation analysis point to community concerns and priorities that agree with 2022 Resident Survey findings:

- The North Lake Tahoe Community Survey (2021) found protecting water quality, maintaining quality of life, reducing trash and litter, providing affordable housing options for workers, maintaining public beaches, reducing traffic and congestion as extremely important.
- Tahoe Prosperity Center’s 2022 Community Survey found top concerns from residents to be around lack of housing, traffic congestion, wildfire smoke, and vacation rentals. These were followed by disrespectful tourists and a lack of economic diversity. It’s important to note that this was not a tourism-related survey, yet several concerns are related to the visitor economy and its impacts.

**Transportation**

In 2014, El Dorado County’s Transportation Commission published the *Bay to Tahoe Basin Recreation and Tourism Travel Impact Study* to evaluate the impacts of regional travel on the highway system.

In September 2017, the *Lake Tahoe Corridor Connection Plan* presented by the Lake Tahoe Transportation District detailed recommendations for implementing a transportation system to meet community needs.

In 2020, TRPA’s *Regional Transportation Plan* detailed a 2045 regional transportation vision and outlined funding needs to rethink the Tahoe basin’s transportation systems - including water, trails, road, public transit, and electric vehicle infrastructure.
Various local and state planning agencies and other stakeholders around the basin have shared destination stewardship-related plans as follows:

- City of South Lake Tahoe: Parks, Trails, and Recreation Master Plan (2014)
- North Lake Tahoe Chamber & Resort Association: North Lake Tahoe Tourism Master Plan (2015)
- Lake Tahoe Visitors Authority: Strategic Plan (2018)
- TRPA: Environmental Improvement Plan - Recreation & Scenic Resources (2018)
- City of South Lake Tahoe: Climate Action Plan (2020)
- Visit Truckee-Tahoe: Sustainable Truckee Initiative, Truckee Stewardship Plan & Council (2023)
- TRPA: Lake Tahoe Recreation & Tourism Playbook (2021)
- TRPA: Achievable Housing Plan and Tahoe Living Community Revitalization Working Group (2020 - present)
- TRPA: Transportation Equity Study and Regional Transportation Plan (2022)
- California Tahoe Conservancy: Tahoe Climate Resilience Action Strategy (2022)
- Visit California: Destination Stewardship Plan (2022)
- US Forest Service: Reimagine Recreation (2022-2023)

In addition to the noted plans, civil society, local businesses and other agencies have spearheaded and participated in collaborative efforts around the basin to improve tourism planning, practices, and management. Each of these plans and initiatives were drawn upon for the development of key actions of the Destination Stewardship Plan.
As the Lake Tahoe region comes together to create a shared vision for shaping its mighty tourism and outdoor recreation economy, one thing is as clear as Lake Tahoe's crystal waters: The unifying principle for all is advancing the health and quality of this natural treasure and the forests that surround it.

Passion for the local environment infuses every conversation about the region's future, whether among hoteliers and casino operators, arts and culture advocates, outdoor recreation outfitters, or members of the Washoe tribe. There also is a deep awareness that the region's economic engine draws its strength primarily from its millions of visitors. In considering alternatives for the future, many -- especially on the South Shore -- point to a vital need to keep the tourism turbine turning.

A series of in-depth interviews, discussion groups, and public visioning workshops conducted for this project also surfaced a deep-rooted desire to safeguard the nature of the Tahoe experience for all who care about it. This community of people includes not just full-time residents, but seasonal homeowners, workers, and visitors, too. Tahoe's casual, outdoors-focused vibe is seen not only as part of its charm, but as an essential part of the experience it offers for all.

Many express deep frustration with the patchwork of governance that rules the region and point to a complex regulatory mindset that stands in the way of what they see as true solutions. One stakeholder group after another identifies regional collaboration as the best means of addressing Tahoe's biggest concerns. There is wide agreement about what needs attention: water quality, transportation congestion, parking violations, trash, trails access, wildfire management, and user education.

And there is deep distress over how the pressures of recent years are altering the fabric of Tahoe's many communities. A long-time disparity between wages and the cost of housing has yawned even wider since the outbreak of pandemic. The resulting exodus of workforce has left many businesses unable to operate at full capacity. Rising numbers of Tahoe workers commuting from outside the Basin exacerbate traffic congestion. Homeowners' groups are pressuring government bodies for more stringent regulations for vacation home rentals seen as disrupting neighborhoods. Waves of freshly minted outdoor recreationists sought fresh air and release from pandemic conditions at Tahoe, many with little sensitivity to the fragile nature of its alpine environment.

Most of all, there is a growing urgency about the need to protect the Tahoe region and its people from the growing risk of wildfire. The 2021 Caldor fire is seen as a warning knell that cannot be ignored, but there is much frustration and a perception that little has been done to safeguard the region against the next fire and the existential threat of climate change.

These findings, to be further detailed in this Summary of Stakeholder Engagement, provide a rich range of human perspectives to inform the shared vision and the construction of a plan focused on taking care of Tahoe.
The Planning Landscape

In June 2021, at the start of a summer that saw unprecedented traffic congestion, trash, and resident pushback, a new collaboration of land managers, business organizations and NGOs issued a Request for Proposals for a Sustainable Recreation Initiative. Its stated purpose was to identify professional services to create a shared vision and implementation roadmap for the future of tourism in the region. The intention was to provide guidance for collective decision-making and action by a collaboration of public and private partners, which has become known as the Core Team. The planning region subsequently was identified as the two-state, five-county Tahoe Basin, plus the Town of Truckee.

Following a selection process interrupted by the Caldor fire, the new collaborative “Core Team” engaged a first-time partnership led by the Center for Responsible Travel (CREST). The CREST Team also includes the Travel Foundation, Better Destinations, SMG Consulting, Triple Point Strategic Consulting, and Civitas. Collectively and individually, these partners bring expertise in sustainable management of tourism and outdoor recreation resources, research, and financial feasibility. They also share a focus on defining regenerative tourism strategies to improve impacts of tourism and make tourism more beneficial for host communities.

Since launching the project in February 2022, the CREST Team has engaged with a Core Team whose numbers have swelled to include 15 different public and nonprofit organizations. These include many of the most influential organizations in the Tahoe region, including:

- TRPA, which is providing administrative support for the project.
- Five regional visitor authorities: the Lake Tahoe Visitors Authority, Travel North Tahoe Nevada, North Lake Tahoe Resort Association, Visit Truckee Tahoe, and Reno Tahoe.
- Other nonprofits, including the Tahoe Fund, the Tahoe Prosperity Center.
- The U.S. Forest Service.
- The Nevada Division of Outdoor Recreation.
- Local governments, including El Dorado and Washoe counties and the City of South Lake Tahoe, and
- The Washoe Development Corp., representing the Washoe Tribe.

During early spring, the Core Team joined to re-define the planning process as a Lake Tahoe Destination Stewardship Plan centered around the following Purpose Statement:

“Lake Tahoe’s communities and economy are rooted in recreation and tourism, touching the lives of all who work, live, and play here. The region is coming together to create a shared destination stewardship plan that will balance the needs of the environment, businesses, visitors, and local communities. This new shared strategy will inspire all to take care of Tahoe.”

The Core Team committed to a holistic planning approach that engages the entire region in shaping the future of tourism and outdoor recreation for their globally known and treasured destination. At the heart of the CREST Team’s approach is a belief in the value of stakeholder engagement to identify community priorities, concerns, and potential solutions. Along with a thorough mapping of the Tahoe planning landscape (shared separately in a Situation Analysis), insight into the many perspectives of Tahoe’s tourism economy will be a key to ensuring that the plan reflects and aligns with the desires and needs of the greater Tahoe community.

Overview of Public Engagement

By its nature, destination stewardship requires active community engagement. The original RFP for this project prioritized creation of “an innovative strategy for engagement with the public, local thought leaders, and public and private partners to gain community input and buy-in in the development of a shared vision and implementation roadmap.” The approach was shared in a Stakeholder Engagement Plan in March 2022. (See Appendix A.) Engagements were led primarily by Cathy Ritter of Better Destinations, Kelly Galaski of the Travel Foundation, and Tara Hetz, CREST Community Engagement Facilitator.

To ensure that the voices of the Tahoe region were heard and honored, the process provided a rich array of ways for locals to weigh in. Collectively, this process gave more than 1,550 Tahoe area residents a chance to share direct input.

Nearly 1,050 Tahoe area residents took part in a resident study shared in September - October via Core Team members’ communications channels. Both English and Spanish versions were provided, but the Spanish version has received little response. While this report includes preliminary findings, outcomes are not expected to change significantly given the large number of respondents to date. Complete findings will be incorporated into the Lake Tahoe Destination Stewardship Plan.

About 260 Tahoe area residents took part in two sets of public visioning workshops. Each set of workshops was held in four locations around the lake, with two on the North Shore and two on the South Shore. The first set, held May 16–18, focused on gathering resident input to set the direction of the planning process. The second set, held Oct. 25–26, centered on securing resident input into potential planning scenarios. They also were invited to share elements essential to a shared vision, such as words, phrases and ideas.
More than 200 local stakeholders were invited to join in 15 discussion groups centering on a wide range of tourism and outdoor recreation-related topics. These included facilitated sessions with representatives of Hotels & Casinos, Workforce & Economic Development, Transportation & Emergency Services, Local Communities & Neighborhoods, Major Ski Areas, and many other groups. The discussions also included a session on Diversity, Equity & Inclusion, as well as meetings with the Washoe Tribe and conversations in Spanish with residents and workers on both the North and South Shores.

About 30 people participated in in-depth, one-on-one interviews. Of these, 15 represented individual interviews with members of the Core Team, conducted by CREST community liaison Tara Hetz. The remaining interviews, which included the state travel directors for both California and Nevada, were conducted confidentially to allow interviewees to speak frankly about issues facing Tahoe and what they saw as potential solutions.

Throughout the process, Tahoe area residents were invited to visit an information hub, StewardshipTahoe.org, to register for public engagement events, sign up for an e-newsletter called Stewardship Tahoe News, and stay abreast of findings.

Resident Study Findings

Although many have been pushed to the breaking point by congestion, trash, and widespread disregard for common local courtesies in recent years, Tahoe residents still gave their region an extremely good rating for quality of life (4.5 on a 5.0 scale) compared with other places in California and Nevada. Their rating fell to 4.3, still an extremely good rating, when comparing Tahoe with other places in the U.S.

These findings clearly point to an awareness that, despite many current challenges, the Tahoe lifestyle remains full of benefits for those who live there. These insights are among several drawn from a survey created by SMG Consulting and the project team, and shared during September and October via local media as well as in social media and websites maintained by Core Team members. With 1,048 responding, results have a 95 percent confidence level at +/- 3%.

Nearly 64 percent of resident respondents said they live in the Tahoe region year-round, with the remainder claiming part-time status. (NOTE: This study strongly represents the voices of full-time residents, given that an estimated 60%+ of Tahoe’s housing stock is held by seasonal homeowners.) About 75 percent of respondents said they lived elsewhere in California or Nevada before moving to Tahoe, mainly to live closer to their favorite outdoor recreational pursuits or to be closer to nature. A large proportion (85 percent) said they owned their homes, and only 20 percent said their livelihoods were connected with tourism. About 80 percent described themselves as Caucasian and about 5 percent as Latinx/Hispanic, while about 10 percent declined to share their race or ethnicity. Based on study outcomes, these Tahoe residents are even more likely to engage in a wide variety of recreational pursuits than visitors. Their most favored pursuit by far is hiking, followed by beaches and swimming.

(See Appendix B for more Resident Study findings.)

On a 1- 5 scale: 1 being ‘Much Worse’ and 5 being ‘Significantly Better’...

HOW WOULD YOU RATE THE QUALITY OF THE TAHOE LIFESTYLE COMPARED WITH OTHER PARTS OF CALIFORNIA AND NEVADA?

4.5

on a 5-pt Scale

Source: SMG Consulting-Resident Study, October 2022
These residents are highly aware of the value of the tourism economy. They shared high agreement (3.73/5.0) with a statement that tourism and outdoor recreation are critically important to the region’s health. They also agreed that tourism created opportunities for entrepreneurship and business earnings but were less convinced that Tahoe tourism was a key factor in supporting events, shopping, dining, and other amenities that residents could enjoy as well. They are mixed on whether the positive benefits of tourism and outdoor recreation in the Tahoe region are outweighing the negative impacts. Only 29 percent of residents agree this is true, signaling a very low level of support for Tahoe’s key economic driver.

But it appears that the region has potential to address resident dissatisfaction by taking decisive action on a relatively narrow set of everyday concerns. When asked to identify the most pressing issues for their local governments to prioritize, increased enforcement of litter regulations topped the list. This was followed by a more complex issue: improvements to wildfire communications systems. But it appeared that addressing more frequent trash pickups and stricter parking enforcement would go a long way toward addressing some of residents’ biggest concerns. Residents also shared strong support for efforts to improve transit and mobility with shuttles and commuter parking lots in high seasons, interconnected bike routes, and increased availability of micro transit vans. Capping or reducing licenses for short-term rentals won strong support as well.

Other opportunities appear to lie in beefing up efforts to educate visitors about how to honor Tahoe’s outdoor ethics and way of life. Less than half (45 percent) were aware of Tahoe’s Take Care messaging campaign. Of those, only 26 percent thought it was effective. Taking steps to reduce crowding and congestion would go a long way to address resident concerns. While about 30 percent say crowding and congestion are a problem 60 days or less a year, about 22 percent said it’s an issue more than half the year.

### Knowing that solutions impact local budgets, on a scale of 1 to 5 with 1 = Extremely Low Priority and 5 = Extremely High Priority, what priority would you place on each of the following actions to address crowding and congestion?

<table>
<thead>
<tr>
<th>Action</th>
<th>Priority (1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continually improve wildfire evacuation communications system</td>
<td>4.21</td>
</tr>
<tr>
<td>Strengthen enforcement of camping regulations</td>
<td>3.58</td>
</tr>
<tr>
<td>Reduce the number of licenses for short-term vacation rentals</td>
<td>3.72</td>
</tr>
<tr>
<td>Cap licenses for short-term vacation rentals</td>
<td>3.83</td>
</tr>
<tr>
<td>Strengthen enforcement of existing parking violations</td>
<td>3.98</td>
</tr>
<tr>
<td>Create online parking reservation systems for high-use seasons</td>
<td>3.28</td>
</tr>
<tr>
<td>Create shuttle systems and commuter parking lots to reduce car traffic</td>
<td>3.08</td>
</tr>
<tr>
<td>Create shuttle systems and commuter parking lots to transport the workforce</td>
<td>3.68</td>
</tr>
<tr>
<td>Provide more outdoor bathroom facilities</td>
<td>3.73</td>
</tr>
<tr>
<td>Increased enforcement of litter regulations</td>
<td>4.23</td>
</tr>
<tr>
<td>Support more frequent trash pickups and capacity (Trash cans and receptacles)</td>
<td>4.42</td>
</tr>
<tr>
<td>Create day reservation systems at beaches during high-use periods</td>
<td>3.32</td>
</tr>
<tr>
<td>Create more hiking trails</td>
<td>3.08</td>
</tr>
<tr>
<td>Build more interconnected bike routes</td>
<td>3.70</td>
</tr>
<tr>
<td>Increase availability of free micro transit 3 person vans with frequent or on-demand services</td>
<td>3.50</td>
</tr>
</tbody>
</table>

Source: Tahoe Region Resident Study, SMG Consulting, October 2022
One potential long-term solution for reducing friction between locals and visitors could lie in taking steps to align Tahoe’s tourism economy with attraction of visitors who share the local affinity for taking care of the outdoors. When asked what types of visitors would best serve the Tahoe region, respondents resoundingly expressed support for visitors who share respect for Tahoe’s natural resources. The least-favored were those who visited lesser-known parts of the lake, potentially because of potential damage to wilderness areas, steep banks, or places without adequate visitor infrastructure. Also favored were visitors who share respect for the local way of life as well as travelers interested in leaving a lighter carbon footprint.

Outcomes of Public Visioning Workshops

To gain qualitative insight into resident concerns and attitudes, the project included two sets of public visioning workshops, one in mid-May and the other in late October. Each set included workshops in four locations around the lake, including two on the North Shore and two on the South Shore. Each set of workshops served a specific purpose. The first round focused on securing resident input to help set the planning direction. They also served to generate public awareness and participation in the regional planning process. The second set of workshops was designed to engage members of the public in considering alternative scenarios for tourism in the Tahoe region. They also contributed thoughts about important words, phrases, and ideas to incorporate into a shared vision for the region. The Core Team’s Communications Committee publicized the workshops and encouraged sign-ups on StewardshipTahoe.org.

Public Visioning Workshops: May 16-18, 2022

In framing a destination stewardship planning approach, it was important to establish how Tahoe residents related to that concept. During the first round of public engagement sessions, participants were invited to use a digital facilitation tool called Mentimeter to spark discussion of topics relating to the planning approach. This included exploration of what destination stewardship meant to them. Many responses focused on creating a better balance among tourism, community needs, and the natural environment. Others advocated for both visitors and locals to share more responsibility for safeguarding the special nature of the Tahoe experience. (See Appendix C for full Mentimeter transcripts.)

Community Benefit

Another core consideration for a destination stewardship plan is to examine all impacts of tourism, whether positive or negative. The intention is to identify ways of reducing or mitigating negative impacts while amplifying positive impacts to ensure that tourism is delivering net benefits for its host community.

To this end, ways to address impacts and create new benefits from tourism were explored in all visioning workshops. First, the concept of community benefit was shared. Then, participants were asked to consider ways Tahoe tourism could be shaped to create even more benefits. Many pointed to opportunities for using tourism-generated revenues to solve community problems. Others saw potential for tourism to generate better jobs and support development of more outdoor recreation opportunities.
Categories of Visitors

Participants also were asked to consider the kinds of visitors they would most like to see in Tahoe. Responses were highly similar to those recorded months later in the Resident Study.

Breakout Sessions

The final hour of these workshops gave attendees a chance to participate in small group discussions of three key planning topics:

Creating a Culture that Cares about Tahoe
Tahoe Experience and Access
The Tahoe Economic Engine

Main takeaways were as follows:

There is unity around protecting the lake.

Many negative impacts are due to irresponsible, disrespectful behaviors, but also a lack of awareness and education.

Concerns center around trash, parking, congestion, and wildfire.

There is support for enforcement and other management systems such as reservations and fees to manage impacts

Decisions about access require a balance of interests and equity.

The Tahoe experience could be improved by creative solutions and technology.
Many see little opportunity to diversify Tahoe’s economy without addressing major infrastructure, workforce, and development issues.

Tapping the tourism economy is seen as a way to fund long-term solutions.

There is interest in shifting Tahoe’s image and appeal toward outdoor recreation and stewardship.

Solutions should be customized but integrated under one overarching plan.
(See Appendix D for a full list of takeaways.)

Public Visioning Workshops: October 25-26, 2022
The focus of the final workshops shifted to inviting participants to consider future possibilities for tourism through the lens of three different scenarios. It was made clear that they were not being asked to choose or vote on a preferred scenario, but to evaluate the pros and cons of each. They also were given the option of creating alternate scenarios.

The central purpose of this exercise was to engage participants in considering the kind of place they wanted Tahoe to be. By reflecting on each scenario, they weighed the benefits of various tourism strategies and their potential impacts on the economy, their communities, the environment, inclusiveness, and even the character and image of Tahoe.

In one workshop after another, a set of shared convictions emerged from discussion of these three scenarios:

Participants placed high importance on ensuring that any future scenario ensures the continued health of Tahoe’s tourism economy.

They were wary of moves that would make Tahoe a more exclusive destination for fewer people. More than one participant said: “We don’t want to be Vail or Aspen.” There was much interest in ensuring that Tahoe and its public lands remained accessible to a broad range of people.

They recognized the importance of putting management systems into place to handle growth in productive ways and, most of all, to protect the quality of the lake.

While many saw potential in taking steps to align Tahoe’s tourism economy with visitors inclined to care for the region’s natural resources and way of life, there was hesitation about whether this visitor could support the region’s tourism economy.

Regardless of which path is taken, it is critical to address visitor education and quality of life issues for the local community and workforce.
(See Appendix E for a full listing of scenario discussion findings.)

A Shared Vision
In a final exercise, the concept of a shared vision was introduced along with examples of vision statements from other mountain destinations. Then, participants were invited to use Mentimeter to share words, phrases, or ideas for what they believed should be included in a shared vision for Tahoe tourism. Words such as Community, Outdoor, Access, Lake, Environment, People, Recreation, Protect and Access figured prominently in the responses across all four workshops.

Some participants even shared full statements:

“Instilling a culture of caring for Tahoe across all people who live, visit and have businesses here.”

“Inclusive community of residents and visitors.”

“A mountain lake community that provides sustainable outdoor recreation opportunities for all.”

“Bringing balance to people’s lives, both locals and tourists.”

“High quality experience for residents, visitors, and the wildlife.”

“Access to all but controlled to maximize natural experiences and protection of natural amenities.”

“Wide range of activities, year-round entertainment, sustainability without compromise.”

“Lake caretakers.”
**Takeaways from In-Depth Interviews**

To secure a deeper understanding of Tahoe's core issues and opportunities, the project included a series of 30 in-depth interviews with subject matter experts and influential leaders throughout the planning region;

15 of these interviews were conducted by Tara Hetz with individual members of the Core Team. (A full summary of these is provided as Appendix F.)

Per the project’s stakeholder engagement plan, the remaining 15 were conducted by Cathy Ritter as confidential discussions with a list of 15 interviewees identified by members of the Executive Committee.

**Confidential Interviews**

The following 15 interviewees took part in conversations covering a wide range of topics and opinion:

- Caroline Beteta, Visit California
- Brenda Scolari, Nevada Department of Tourism and Cultural Affairs
- Allen Wooldridge, Division of Nevada State Parks
- Carl Hasty, District Manager, Tahoe Transportation District
- Chris McNamara, Outdoor Gear Lab
- Cindy Gustafson, Placer County Supervisor - District 5
- Claudia Anderson, Parasol Tahoe Foundation
- Darcie Collins, League To Save Lake Tahoe
- Dee Byrne, Palisades Tahoe
- Duane Wallace, South Tahoe Chamber of Commerce, High Country Lodge
- Hardy Bullock, Nevada County Supervisor - District 5
- Heidi Hill-Drum, Tahoe Prosperity Center
- Jen Callaway, Town Manager, Truckee
- Karie Hall, Caesars Entertainment
- Tom Fortune, Vail Resorts - Heavenly

**Key Takeaways**

**Outside forces are poised to drive even more visitation and people into Tahoe,** and it will be vital to have systems in place to manage for the future. Tahoe already is being impacted by an influx of major tech businesses into the I-80 corridor near Reno, including Google, Tesla, and the blockchain industry. Climate change will influence even more people, especially Californians, to seek cooler temperatures and respite in the High Sierras. “It’s a tsunami coming. We’re backing up slowly and we need to be running.”

**Ongoing controversy over a proposed Basin User Entry Fee is unlikely to be resolved soon,** but many believe the concept is sound and absolutely necessary to manage inevitable future growth. Advocates note the importance of mitigating the fee impact for locals, especially for workers who commute to Tahoe jobs from outside the Basin. A clear case must be made for how revenues would be invested into a more effective multi-modal transportation network for the Tahoe region.

**Making Tahoe less “auto-centric” ultimately is the key to reducing traffic congestion.** Creating more multi-modal transportation options -- whether with park-and-rides for commuters and day visitors, biking paths, or expanded micro transit -- is essential for reducing the Basin’s motor vehicle traffic. “You don’t build Disneyland, and then have a monorail that’s this big.”

**Managing access to parking is a highly productive way of reducing congestion and managing flows of people around the lake.** Providing alternative forms of transportation and sharing alerts about “hot spots” can assist people in making good choices about where to go and feel comfortable leaving their cars parked.

**Many problems could be solved by creating a consistent approach across the Tahoe region to managing the big challenges.** To drive more compliance, consistent policies should be created for parking, trash, transportation, and fines. This should be supported by consistent branded signage and messaging throughout the region.

**Tahoe faces “urban demand,” not just on its rural highway system but its rural communications system.** Lack of cellphone access as well as limited broadband capacity inhibit adoption of technology to solve problems. Expansion of technology could support a comprehensive wildfire evacuation communications network, stewardship messaging, use of congestion pricing systems to optimize parking, and even strategies to diversify the economy.
Tahoe needs to beef up its efforts to educate visitors about caring for Tahoe. The region needs a unified message supported by a strong media strategy, but it won't have impact unless it's coordinated with enforcement and consequences for violators. One of the biggest frustrations for many who care about the lake has been a reluctance or inability to enforce needed actions.

The National Park Service’s success in creating better user experiences with reservation and timed-entry systems is paving the way for Tahoe area parks to embrace similar models. However, it will be vital to ensure that limiting access in one spot does not push users to unregulated spots with little to no visitor infrastructure.

Maintenance of outdoor areas is deeply impacted by the inability of government-funded entities to house workers or pay them enough to commute from elsewhere. Workforce shortages limit public land managers’ ability to monitor access, enforce regulations, collect fees, and keep bathrooms clean.

One way of managing Tahoe’s capacity for visitors is to consider “who do you want to attract and what story do you tell to attract them? ... It is better to have a brand that is more connected to where we are and to attract people who really want to care for this place ... It will change who’s visiting, how they’re visiting, and what their expectations are.”

The vision for Tahoe’s future varies. Many believe its future is tied inextricably to tourism: “That’s the reality.” Others have hopes of Tahoe reinventing itself as a vibrant mountain economy that is innovating and changing, whether through a focus on ground-breaking environmental solutions or innovative approaches to trails.

Attitudes and finger pointing toward different classes of users — whether locals or visitors — has created anger and conflict for decades. The path to reducing conflict and building unity lies in recognizing: “The lake belongs to all of us and not just to those of us who live here.”

Many Tahoe visitors are environmentally aware. Converting those who aren’t — or who don’t care — requires insight and tailored approaches. For instance, some impacts can be traced to lack of cultural awareness or to people who feel shut out of the local economy. It is vital to bring insight to education and enforcement.

Solving Tahoe’s big problems will require an overall vision to do what’s right for the Basin as a whole. to create regulations that apply to all jurisdictions, potentially even the USFS. This perhaps is a role that TRPA should play.

There is deep frustration with inaction and red tape. “We study, study, study, but we don’t do, do, do.” Many see opportunity for TRPA to streamline its processes, break logjams, hold the difficult conversations, and lead needed change.

A call to stop marketing Tahoe is not sustainable, given the need to fill mid-week, shoulder season and address changes in market dynamics.

Restrictions on development and redevelopment — primarily due to concerns about water clarity — is eroding Tahoe’s image and puts unwarranted burdens and expenses on developers. “We have not as a region continued to invest in our community. We’re three on a five-point scale.” Given the impacts of climate change, Tahoe’s future depends on developing summer product, and development happens extremely slowly.

The Tahoe economy has seen an increase in restaurants and retail, but lost a lot of small businesses like plumbers, electricians, hair salons, independent tire companies. The loss of small businesses has been a big part of why the economy is now more tourism dependent.

There is disappointment with local governments’ inability or unwillingness to crack down on slumlords operating workforce housing, especially in former roadside motels. These properties should represent good opportunities for creating employee housing.

It is important for the major tourism operators to invest in the communities where they operate. Businesses should be supporting local charities, like Boys and Girls Clubs, that offer services that sustain their workers.

The region needs stronger collaboration and a clear strategy to make critical progress on an issue that threatens the vitality of the entire region: wildfire management. The effort has to start with the largest landowner — the government — to make sure that bureaucracy is not hindering or slowing down progress.

What We Heard from Discussion Groups

To further engage the Tahoe community and gain perspective into unique aspects of the tourism and recreation landscape, the CREST Team convened 14 Discussion Groups. Core Team members were consulted on the list of topics and invited to recommend participants. Discussions were led by Cathy Ritter, Kelly Galaski, and Tara Hetz.

Many of the same themes that emerged in other stakeholder settings — concerns about impacts to the lake, traffic congestion, trash, parking, and wildfire — emerged in multiple discussions. Key messages captured from each discussion are described on next page.
<table>
<thead>
<tr>
<th>Discussion Group</th>
<th>Key Take-Home Messages</th>
</tr>
</thead>
</table>
| Major Ski Areas                              | • Ski operators already engage in region wide collaboration and are open to expanding joint efforts for wildfire management, environmental stewardship, and visitor education.  
  • Shared concerns are housing, wildfire management, and transportation. An especially high priority is a comprehensive, regional transportation plan. |
| Outdoor Recreation & Outfitters              | • A high priority is to get people out of cars and onto public transportation and/or self-motorized means.  
  • There is conviction around the importance of recreation to Tahoe’s future: “If we design a great place to live, we will have a great place to visit.”  
  • The design of outdoor recreation must take capacity and impacts into account. |
| Transportation & Emergency Services          | • A top goal is “Free, Fast, Frequent” public transportation in and outside the basin.  
  • Need real-time numbers of vehicles around the lake.  
  • Extremely high concern about future wildfire risk and preparedness for emergency evacuation. |
| Local Communities, Neighborhoods, Business/ Chamber | • Critical need to protect neighborhoods by managing trash and expanding transit options.  
  • Better solutions could be found through more collaboration around the lake. |
| Washoe Tribe (in-person gathering with Washoe Elders) | • Eco-tourism is seen as the only kind of tourism that aligns with Washoe values of Tahoe as a sacred place.  
  • A Washoe Cultural Center could be developed as a way of sharing Washoe values with all.  
  • Return land parcels such as Meeks Bay (now operated under a U.S. Forest Service lease) back to the Washoe Tribe. |
| Hotels & Casinos                             | • Many hotel operators already are engaging in various stewardship activities, including elimination of single-use plastics, recycling, volunteer cleanups, etc., because their guests expect it.  
  • More would take part if it were seen as a regional commitment by all hotels.  
  • It’s important to engage the workforce in these efforts.  
  • Moving in this direction carries far less risk for hotels than failing to prepare for this future expectation. |
| Frontline Workers                            | • Finding affordable housing for middle-class families is nearly impossible.  
  • The region should prioritize employee training, whether skills or management training, to develop frontline workers into career workers. |
| Arts, Culture & History                      | • The Tahoe experience could be enhanced through support of “place-making” and local Tahoe artists.  
  • The region would benefit from creating a Cultural Tourism Master Plan with an emphasis on guiding visitors to become a “Tahoe Local.” |
<table>
<thead>
<tr>
<th>Discussion Group</th>
<th>Key Take-Home Messages</th>
</tr>
</thead>
</table>
| Diversity, Equity, and Inclusion                     | • While there is focus on accessibility for tourists, what about for Tahoe residents? Families working in the service industry don’t often have the opportunity to visit the special places around the lake.  
• Communications and materials relating to Tahoe experiences should be available in Spanish. |
| Property Managers, VHRs, Homeowners                  | • It is important to make a clear distinction between the impacts of VHRs and second homeowners.  
• Rentals of homes and cabins have been a long-time component of the Tahoe experience and now are addressing a big consumer demand, especially among family visitors.  
• The local VHR industry believes it erred in its strategy to oppose bans. They now believe they should have been the chief advocates for better regulation of bad operators.  
• Banning VHRs has not created more long-term rental opportunities for Tahoe workforce. Other forces, including a growing influx of remote workers, have made housing unaffordable for many. |
| Workforce & Economic Development                      | • ‘Everything has to do with housing, transit, and childcare.”  
• Immediate housing solutions are required, and the opportunities are in front of us.  
• Better broadband is a key to diversifying the economy.  
• Career pathways should be created for tourism jobs.  
• Restrictions on VHRs has reduced the number of family travelers on the South Shore, impacting some businesses that rely on that segment. |
| Spanish Discussion group North Shore                 | • The biggest needs are affordable housing and more available public transportation.  
• Employees are overworked from workforce shortages, especially during peak visitation times.  
• More recreation activities are needed to engage youth to improve mental health and reduce substance abuse |
| Public Lands, Climate Change, Wildfire               | • Shortfalls in basic infrastructure — broadband, wildfire evacuation system, housing, wayfinding, workforce — must be addressed to create true solutions.  
• It is vital to identify the carrying capacity of the Lake Tahoe Basin and manage to that.  
• Climate change adaptation and mitigation of impacts need to be at the forefront of any planning effort. |
| Entertainment & Special Events                        | • Pre-event messaging (used widely to communicate pandemic precautions) could be a valuable way of setting attendees' expectations for desirable behaviors.  
• A campaign theme could be “Welcome to our home,” improving the sense of place and belonging.  
• Events -- whether sporting, music or cultural -- are an important part of the Tahoe experience. Operators' success is impacted by many circumstances beyond their control, including wildfire risk and traffic congestion. |

More insight is provided below into discussions with Tahoe community members who believe they have had little say in past planning processes.

**Further Insights from Washoe (Wašiw) Tribe Discussion**

From the outset, this process has been committed to securing input from the Washoe Tribe, whose roots in the Tahoe Basin extend at least 2,000 years prior to first contact with European settlers. The forced relocation that followed fractured the Washoe's connection with their traditional territory. Among the Tribe's top priorities is regaining access to land where members can gather for community ceremonies and recreation by the lake.

This topic was top of mind when Washoe leaders and members gathered at Meeks Bay in July 2022 at the request of the CREST Team. Attendees included Washoe Tribe Chairman, Serrell Smokey, Washoe Tribal Historic Preservation Officer Darrel Cruz; Wendy Loomis, Executive Director, Washoe...
Development Corporation; and invited Elders. CREST Team attendees included Cathy Ritter and Tara Hetz. Other priorities for the Washoe people were shared after the event in written comments compiled by Rhiana Jones (Washoe Tribe Environmental Program Director), provided by Washoe Cultural Resources Advisory Committee members Darrel Cruz, Dorothy McLoud and Floyd Wade.

Top interests included a land acknowledgement and ensuring that sacred places such as Cave Rock and Skunk Harbor are respected and not promoted for hikers or as party places. Like other members of the Tahoe community, Washoe people say their ability to enjoy and access the lake is impacted by congestion, especially during peak visitation times. A locals’ discount program was suggested as a way of providing access to what Tahoe has to offer and what others enjoy. They shared support for management tactics such as fees and reservations to address congestion and overuse of resources and to protect the lake.

Additionally, they expressed a desire to establish a Washoe-managed cultural center for community gatherings. A primary function of this center could be to advance sustainable tourism by educating visitors about the sacred nature of the lake and the lands that surround it. In addition to serving as a community gathering place, the center also could provide ways of connecting visitors and the community with Washoe culture.

**Further Insights from Spanish Groups & DEI Discussion Group**

To gain insights into the priorities of the Tahoe community’s Spanish-speaking members, discussion groups were organized on both the North and South Shores on August 31 and Sept. 1, 2022. These were facilitated by Victoria Ortiz of TRPA with assistance from Tara Hetz and Kelly Galaski. Tara and Kelly also facilitated a separate Diversity, Equity & Inclusion Discussion Group in August with Bill Martinez of the South Lake Tahoe Family Resource Center, Anibal Cordoba Sosa of Sierra Community House, and Jude Wood of the Boys & Girls Club.

Participants shared many of the same concerns heard in other settings, including housing affordability and the impacts of increased trash and algae on the lake’s health. Other top concerns included traffic congestion as well as the need for more frequent public transportation, sidewalks, protected walkways, and better lighting — both for people to get to work and for kids to get to school.

They also spoke of a lack of “cultural competency” in a place where Spanish speakers represent as much as 30%-50% of communities’ population. Many local events and communications materials are not bilingual, though progress is being made. The evacuation plan now is available in both English and Spanish, and recently efforts have been made to translate maps and recreation guides. Creating an expectation that local materials will be produced in both languages would be far preferable to a current expectation for translations to be provided by local Spanish-speaking staff.

Local youth, families, and workers all could benefit from efforts to connect them with local recreation experiences that may be beyond their financial means. For example, providing opportunities to ski could be a good way not only to increase “access for all” but also demonstrate a commitment to diversity and inclusion. Providing local youth with opportunities for recreation and entertainment, something some businesses are already supporting in their communities, is seen as a way to improve local mental health and reduce substance use.

**Key Findings**

The health, clarity, and water quality of Lake Tahoe and forest health are top priorities for all stakeholders.

While some believe the region would be better off with fewer tourists, there is much unity among stakeholders, residents included, for ensuring that Tahoe’s tourism economy remains vibrant and strong. Many believe the answer lies in better management of resources for tourism and recreation overall.

**Stakeholders are seeking substantive actions to address concerns**, whether housing, transportation, parking, trash, or wildfire mitigation or evacuation measures. There is a sense that far too much time has been spent on planning and discussion and that immediate action is vital to solve increasingly urgent issues.

**Short-term wins could be achieved through immediate action to mitigate a relatively narrow set of issues**. The Resident Study showed that locals’ top priority for local government was increased enforcement of litter regulations. More frequent trash pickups and stricter parking enforcement also were high on the list.

**Residents’ second-highest priority — improvement of communications for wildfire evacuation** is a top priority for virtually all user groups and will require dedicated attention.

**The region needs stronger collaboration and a clear strategy to make critical progress on an issue that threatens the vitality of the entire region: wildfire management.** The effort has to start with the largest landowner — the government — to make sure that bureaucracy is not hindering or slowing down progress.

**The need for more housing that aligns with local incomes was raised in one context after another**. Many believe that short-term solutions can and must be addressed to address a crisis that threatens communities and is undermining the availability of workforce throughout the region. A related concern is lack of child care services.
True solutions lie in moving away from a patchwork of governmental policies and practices to create consistent approaches across the region. A regional approach to parking could include consistent policies, signage, fines, enforcement, even reservation systems across the Basin. A regional strategy to mitigate impacts of trash could include a comprehensive, consistent system for trash collection, fines, enforcement, and even branded trash cans and dumpsters across the region.

Many stakeholder groups — whether hotel and casino operators, ski areas, or outdoor outfitters — advocate for collaborative approaches that engage their entire sector in stewardship initiatives or practices would be most effective.

Many operators, especially the hotel sector, see opportunities for engaging their workforces in destination stewardship. Many workers enjoy being included in community actions to care for the lake.

Expanding the Basin’s broadband capabilities could enable many technology-based solutions, while supporting opportunities to diversify the region’s economy.

Many stakeholders are opposed to making Tahoe a more exclusive, expensive destination for fewer visitors. There is much support for a Tahoe that is open, accessible and welcoming for all, especially given that about 86 percent of the Basin is publicly held land.

Public land managers believe it is important to determine the optimal capacity for the Basin’s high-visitation areas to guide better practices for wildlife and natural resource management and create better experiences for humans.

There is a persistent belief across many stakeholder groups that day visitors are the chief source of many problems, though evidence suggests the issues are broader.

Full-time residents are lukewarm on strategies to disperse travelers to less busy times of the year or week or to less-busy parts of the Basin.

Wildfire is seen as a growing existential threat to the Tahoe region’s way of life. Many believe urgent attention is needed to facilitate wildfire evacuation communications and to manage forest health and neighborhoods to mitigate risks.

Many stakeholders see a need for a stronger destination stewardship messaging campaign to increase understanding of ways everyone can take better care of Tahoe.

Steps to reduce the supply of vacation home rentals may have unintended consequences for businesses that rely on younger, family travelers.

Spanish-speaking community members point to a need for more “cultural competency” throughout the Tahoe region. Though 30%-50% of some communities have Spanish-speaking populations, communications often are produced only in English.

A formal land acknowledgement that the Tahoe Basin was the traditional lands of the Washoe people would be an important step in repairing a fractured relationship with the Tribe.
Scenario Planning and Economic Modeling for the Lake Tahoe Region

Part 1 Overview
Visitation to the Lake Tahoe and Truckee region has undergone major changes in the past decade and the destination has seen significant visitor growth since the 2008 recession. A combination of a strong national and state economy, focused marketing efforts and a variety of outdoor recreation, cultural activities as well as special events has transformed the destination to a point where there is a need to begin to envision the future of how visitation should continue to unfold and be managed. The impacts have ranged from overcrowding on peak visitation days and seasons to housing issues, employment challenges, and more. The stewardship plan is a significant step in developing solutions to these challenges. To that end the stewardship planning process has developed and implemented a tourism destination scenario planning and economic modeling approach to identify different potential scenarios that best meet the needs of the community and stakeholders.

What are the benefits of scenario planning and economic modeling?
Scenario planning provides a variety of benefits in building a community-wide vision.

To help manage impacts of significant change within the Lake Tahoe and Truckee region.

To develop a common framework with which to envision the Lake Tahoe and Truckee region.

To help manage uncertainty in the dynamics that impact the destination/community.

Our approach, led by SMG Consulting and supported by TPS Consulting and other consulting consortium members, was to utilize scenario planning as a tool for the region, the community and tourism stakeholders to assess the impacts of the status quo, and the potential, in looking at how the region could be shaped to evolve to an outcome that optimizes the activities and values of the broader community. Our team developed three different scenarios for the community to consider in shaping the future of the destination. The end outcome is a consensus-based framework for moving forward and proactively addressing the issues and challenges for the community, agencies, and the tourism industry.

Building Blocks for Scenario Planning and Economic Modeling
The building blocks for developing economic scenarios for the Lake Tahoe and Truckee region are based on: defining the drivers of change that will impact the community, identifying the basic trends from visitation and their impacts on the community, and identifying the key uncertainties that exist.

What is scenario planning and economic modeling for the Lake Tahoe and Truckee region?
It is important to understand that effective scenario planning balances the knowledge that is known about the region with the knowledge or information that is not known regarding future impacts.

Specifically, economic scenario planning for Lake Tahoe and Truckee region included identifying a specific set of uncertainties, different “realities” of what might happen in the future to the community.

The key to the success of this approach is building a set of community-based assumptions and getting agreement on those assumptions among destination stewardship partnership members to help guide the region in the long term. This process typically includes the following steps:

Identify the focal issue(s)
In this case, the focal issue is: how, from an economic lens should tourism visitation evolve in the region? Should it continue as is or are there some alternative ways tourism visitation should evolve?

Identify the key factors
Once the focal issue(s) has been identified a list of economic alternatives are identified that could affect how visitation evolves.

Develop a range of plausible scenarios for the region
The goal is now to form a kind of matrix with two critical uncertainties as axes depending on what direction each of the uncertainties will take, and each quadrant becomes four possible scenarios for the future.
**Telling the story of each scenario**
Tell the story of each of the scenarios in a way that is compelling.

**Implications and options**
Identify the implication of scenarios and the strategic options that arise out of the different scenarios.

**Strategy development**
Scenarios by themselves do not determine a strategy, rather a strategy needs to be developed considering the scenarios that were developed.

**Part 2 Scenario Development**

**Overview**
Each of the following scenarios is designed to illustrate how the Lake Tahoe and Truckee region tourism economy can be influenced and shaped. The first three scenarios include: 1) Growth, 2) Higher-Yield, and 3) Values-Based. Scenario 1 (Growth) does not employ sustainable policies and as such it relies on current market forces and individual stakeholder responses. It is anticipated this scenario will reduce the level of competitiveness of the destination and value to the community over the long run. Scenarios 2 (Higher-Yield) and 3 (Values-Based) focus on the implementation of some destination stewardship principles but are very different in their magnitude and timing to full implementation. Scenario 2 seeks to manage the current situation by focusing on higher revenues from visitors, while Scenario 3 looks to drive strategies based on the priorities of the community but is focused on doing so by targeting specific visitors. Each of the first three scenarios has implications for economy, environment, and community and were presented at community workshops to solicit feedback about the potential impacts generated by each of these pathways.

**Scenario 1: The Growth Scenario**
The Growth Scenario has its underpinnings in the status quo; the current volume-based tourism economy. When we think about the concept of the Status quo it refers to the “existing state” of a current situation. Status quo is contextual and it could be seen from a negative or positive perspective.

When people want to maintain the status quo, they are often resistant to change. In this case of tourism impact and evolution in the Lake Tahoe and Truckee region, the perspective of the current situation is that unhindered growth is having negative impacts on the local community and is not sustainable. This is despite the fact that the current situation has had financial benefits to differing degrees within the community. Local governments and the private sector have done well and while wages have risen for those that service visitors, wages have not kept pace with significantly increased costs of living, primarily in housing. The rise in property value has also contributed to a lack of housing attainable to potential employees, which has become a limiting factor for the industry to attain the workforce it needs.

**Scenario Characteristics**
Scenario characteristics include the following:

| Strategy: To grow the economy to attract more visitors |
| Visitor Mix: Visitor profile remains relatively unchanged. |
| Management: Likely will require new approaches to managing increased volume, including dispersing visitors to less busy times or places. |
| Implications for Community: May create more competition for desirable experiences. Could accommodate more diversity. May require more workforce. |
| Environmental Impacts: More people typically mean more water usage, more greenhouse gases emissions, and more pollutants. |

This scenario assumes a continuation of “what is” that includes increasing levels of visitation, reduced visitor experience, resident frustration, specifically around the issues of housing and congestion and use of recreation facilities. At the same time this scenario could enable increased revenues for tourism industry stakeholders and tax revenues for local governments, at least in the short term. This situation could further create divisions between residents and other elements of the social exchange. Overall, this scenario may lead to what is called a non-virtuous cycle in which negative elements continue to build on each other.

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<table>
<thead>
<tr>
<th>#1 THE GROWTH SCENARIO</th>
<th>#2 THE HIGHER-YIELD SCENARIO</th>
<th>#3 THE VALUES-BASED SCENARIO</th>
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<tbody>
<tr>
<td>Drive continued growth in visitor volume.</td>
<td>Drive higher revenues from visitors.</td>
<td>Drive strategies based on priorities and values of the community.</td>
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Future Tourism Scenarios for Tahoe, as presented in workshops, October 25&26, 2022
This scenario has its pitfalls in both the short term as it exacerbates all the problems local residents are concerned about threatening the social exchange between them and the industry and it reduces the competitiveness of the destination. Ultimately the status quo does allow for optimizing short term benefits both to the industry in the form of revenues and to the region in the form of taxes. However, it negatively impacts the local community in the form of reduced housing for local residents and higher rents as well as, potentially degraded amenities and experiences.

Additionally, the status quo does not embrace sustainable tourism policies to their fullest and as such could ultimately reduce the destination’s level of competitiveness. There are remaining uncertainties, such as: Will there be a recession that changes the economic dynamics of the region? Will the tension experienced in the community manifest itself politically with a change in the region council? Will residents finally reach a point where they begin to look elsewhere for a better opportunity and leave? None of these is an optimal situation for the good of the whole community but any one or all of them could be realized in a status quo scenario.

Scenario 2: The Higher Yield Scenario

The Higher Yield Scenario attempts to confront peak travel issues and associated impacts of volume. This scenario is designed to manage growth of visitor numbers to reduce pressures on the community and environment, using yield management tactics.

The Underlying Strategy

One could characterize the current state of peak travel as being out-of-balance, or not in a state of balance. What destinations are trying to do is achieve a state of balance in which the negative impacts on the community are reduced, while maintaining or increasing stakeholder revenue (and taxes) and improving the experience for both the visitor and the residents. This scenario aims to drive tourism revenue by increasing revenue-per-visitor to the point where volume is flat or reduced, based on supply and demand theory. Many destinations do this by increasing the quality and prices accordingly; however, this leads to an exclusivity that is deemed inequitable and also can lead to further negative impacts such as the loss of small businesses and diverse offerings of activities and accommodations that appeal to a broader set of visitors and locals alike. There are other strategies based on attempting to increase length-of-stay; for example, by attracting longer-haul visitors. A true solutions orientation approach seeks to deal with the underlying tourism supply and demand business model.

Scenario Characteristics

Scenario characteristics include the following:

| Strategy: Target Visitors who yield higher returns for the economy. |
| Visitor Mix: may require shifting to different visitors. |
| Management: May represent a shift away from Tahoe’s image as a more affordable destination than other mountain resorts. Future development would focus on desires of these travelers |
| Implications for Community: May ease pressures of increased visitor volumes. May lead to higher pricing. May make Tahoe more exclusive. |
| Environmental Impacts: Some categories of high yield visitors and activities may incur higher impacts on resources, while others could reduce impacts. |
| Other considerations: |

- Fewer visitors during peak season that spend more.
- Visitation during non-peak season shifts high demand time frames.
- Fewer visitors can enable stewardship of the environment/destination.
- Increased revenues and taxes.
- Encourages quality infrastructure to match the environment.
- Challenges the issue of inclusiveness and access and equity which must also be specifically addressed, encouraged, and expanded.

An important factor for a destination out-of-balance and seeking balance is continually improving the quality of the experience to justify higher prices. By using tourism-driven tax revenue and private industry profits to significantly improve the guest (and resident) experience, positive word-of-mouth and increased desirability, that in turn stimulates demand.
**Destination Transition to Balance**

One of the basic fundamentals of supply and demand in tourism is that when demand exceeds capacity, as is the case with “peak tourism,” either capacity or prices are increased to match capacity without reducing revenue or continuing to increase revenue.

The destination is reaching “balance” when you see destination desirability increasing, visitor volume peaks evening out, and visitor-driven revenue increasing significantly. *That is the destination equilibrium. It can be dynamic and changing and the price value proposition is always being redefined. Visitors will pay more but it must include a great experience.*

Another critical concept is that of replacing lower-revenue-generating guests with higher-revenue-generating guests. While controversial, this approach underpins the potential to overcome “peak tourism” without losing the economic engine that makes a destination a desirable place to live and work and visit. *Equally, it is crucial that a destination develops a housing stock that meets the needs of the community. It makes no sense to have housing that is not adequate for the resident population. As such, workforce housing must be part of the strategic discussion of a new destination balance.*

A key metric to monitor success is “revenue per visitor.” That number MUST go up and the only way you achieve that is to make the guest experience better and ultimately charge more for it. Part of making the guest experience better is to reduce crowding. It is a long but deliberate process with a focus on improving the guest experience through private investment, through public investment and through public/private partnerships.

Ultimately, while yield may go up, a destination must weigh the benefits versus the costs to such a strategy.

**Scenario 3 The Values Based Scenario**

**Overview**

This scenario is based on identifying and attracting visitors that have priorities and values that align with the resident population of Truckee and Lake Tahoe. This scenario looks to balance the economic and quality of life needs of residents, the environment, and the economy.

The assumption is by attracting those visitors that have better alignment with visitor values such as caring for the environment it will be easier to better manage visitors given their keen sense of awareness of their impact on the natural environment and the local community.

**The Underlying Strategy**

This scenario is also designed to deal with the underlying problem of too much visitor volume and the impact on natural resources and the community. The strategic level elements are also designed to shift destination demand to attract higher-spending visitors and reduce the overall number of visitors as well as spreading out visitors to lessen impacts and increase overall revenues.

This scenario starts with the end in mind and asks a basic question: what does it look like from the perspective of all concerned?

This strategy includes the coordination and management of elements that make up the region but also the attraction of visitors that are aligned to care for the destination. Strategy elements include the following:

- Maintain and/or strengthen the economic vitality of the region.
- Continually improve local resident quality of life.
- Always protecting the environment.
- Continually improve the visitor experience.
- Be encouraging of inclusiveness.
Scenario Characteristics

Scenario characteristics include the following:

**Strategy:** Create a tourism economy that aligns with priorities and values of the community.

**Visitor Mix:** targets categories of visitors who signal interest in caring for natural resources and sustainable practices.

**Management:** They require targeted promotion. Future development would focus on addressing the desires of these travelers.

**Implications for Community:** Alignment with community priorities may create a more welcoming environment for visitors and improve resident satisfaction.

**Environmental Impacts:** Attracting visitors who care about stewardship, traveling sustainably, and caring for the destination may reduce environmental impacts.

**Other considerations:**

It will be important to not only target visitors with aligned values but to also continue to educate all visitors.

This scenario places an increased emphasis in changing the culture to more significantly emphasize protecting the environment by visitors.

This scenario is more inclusive than scenario 2 which emphasizes targeting visitors primarily by economic impact but at the same time attempts to minimize environmental impacts.

Aims to target visitors with the following messages:

Support local businesses. Encourage visitors to support those businesses that will retain their earnings with the region, thus strengthening the local economy.

Respect local residents and the community.

Understand and respect the local culture including local stewardship of the natural resources.

Respect the environment and have a minimal impact.

Travel off-peak and minimize the impact of peak visitation on the local community.

**Implementation**

Implementation includes alignment of key segments including visitors and residents and aligned along common values.

Continued visitation from existing markets.

Attraction of visitors based on stewardship.

Communication of stewardship programs.

Increased revenues and taxes.

Better acceptance among residents with corresponding improved quality of life.

A major challenge with this scenario is that while some targeting can be effective in targeting source markets and demographics that exhibit ‘sustainable’ behaviors at home and likely will have attitudes and behaviors in-destination that align with community values around stewardship, there is a large portion of Tahoe visitors that are repeat visitors, day-use visitors, and seasonal residents that will continue to visit. All visitors inherently have an impact and therefore need management strategies to encourage, enforce, and result by default in more positive benefits.

**Part 3 Community Input and Design**

The three scenarios were presented to the community in a series of public workshops for their consideration and input and the following summary of pros and cons for each scenario was developed from those meetings.

**Scenario 1 The Growth Scenario**

**Pros and Cons Summary of Stakeholder Feedback**

<table>
<thead>
<tr>
<th>Pro</th>
<th>Con</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and employment related</strong></td>
<td>Infrastructure related</td>
</tr>
<tr>
<td>• More revenue</td>
<td>• Infrastructure - do we have enough</td>
</tr>
<tr>
<td>• Support local businesses</td>
<td>Environment Related</td>
</tr>
<tr>
<td>• Creates more jobs</td>
<td>• More negative impacts - wildlife, people, environmental</td>
</tr>
<tr>
<td>• Supports a lot of livelihoods.</td>
<td>• Risk of environmental catastrophes</td>
</tr>
<tr>
<td>• Direct benefits to residents</td>
<td>• Could damage untouched areas ‘reduce pristine’</td>
</tr>
<tr>
<td><strong>Economy and Diversity</strong></td>
<td>Wildfires - more people to evacuate and no broadband capacity for fire alerts</td>
</tr>
<tr>
<td>• Open to more types of people</td>
<td><strong>Local Impact</strong></td>
</tr>
<tr>
<td>• Possibly more equity</td>
<td>• Undermining of the experience for locals</td>
</tr>
<tr>
<td>• Diversification of economy potentially</td>
<td>• No space for people/visitors</td>
</tr>
<tr>
<td>• Most inclusive</td>
<td>• Lack of available employee housing already</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>• Growth cannot be sustained because no local workforce to manage and execute “benefits” aka revenue increase obtained through unchecked growth</td>
</tr>
<tr>
<td>• Possibly more stewards by exposure</td>
<td>• Overcrowding</td>
</tr>
<tr>
<td>• Educates non-environmental people to environmental issues</td>
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</tbody>
</table>
### Scenario 2 The Higher Yield Scenario

**Pros and Cons Summary of Stakeholder Feedback**

<table>
<thead>
<tr>
<th>Pro</th>
<th>Con</th>
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</thead>
<tbody>
<tr>
<td><strong>Environmental Impact</strong></td>
<td></td>
</tr>
</tbody>
</table>
| • People who stay longer spend more and have more respect  
• Quality over quantity  
• If stay longer, more opportunity for educational touchpoint  
• Less environmental impacts |  
| **Economic Impact** |  
| • Higher quality visitor experiences, e.g., Yosemite  
• Increasing tourism job wages  
• Could support businesses year-round |  
| **Resident Impact** |  
| • Less trash, congestion, less impacts on facilities and resources  
• Less negative impact on residents  
• Less trips/traffic  
• Less public safety issues |  
| **Access Issues** |  
| • Reduced access, elitist  
• Can only imagine restriction by pricing  
• Alienates - due to cost of entry  
• Likely reduces diversity  
• More privatization (Martin, Homewood, Biltmore, etc.) |  
| **Infrastructure Impacts** |  
| • Not enough hotels in the basin to house this category - forces people to drive  
• Investment in infrastructure may not align with what the community needs or wants  
• Airport could be overrun |  
| **Resident Impacts** |  
| • Haves’ vs have nots continue to drive residents away - can’t live here  
• Spike in home values impacting housing supply  
• Affordable and lower income are left out |  

### Scenario 3 The Values Based Scenario

**Pros and Cons Summary of Stakeholder Feedback**

<table>
<thead>
<tr>
<th>Pro</th>
<th>Con</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values/Community Alignment</strong></td>
<td></td>
</tr>
</tbody>
</table>
| • Easy to back value-based “our love of the lake” as many agree to help environment  
• Inclusive of a variety of people  
• Respect is most needed/required from visitors  
• Community forward  
• Align with community value of environment  
• More considerate visitor (less impact on residents)  
• Create potential ‘caring’ residents  
• Attracting people who think like locals  
• Increased mutual respect |  
| **Access Issues** |  
| • Could be hard to define/get consensus on community values  
• Requires lots of education about respecting others  
• Challenge of finding aligned visitors |  
| **Environment Impact** |  
| • Low impact on environment  
• Environmental benefits  
• Eco-minded travelers  
• Long term pos environmental outcome = overwhelmingly positive  
• Target visitor that embraces sustainable practices which are needed to protect environment and economy  
• Visitor/resident increase micro  
• Transit, biking and other alternative transit create a true culture for Tahoe Stewardship |  
| **Economic/Regulatory Issues** |  
| • Smaller economy (assumed)  
• Too many rules/regulations  
• Could be lower revenue  
• Might have economic impact from lost visitor-ship from people who do not share ethos |  
| **Visitor Experience** |  
| • Responsible tourists  
• Can create a more positive visitor experience which can make people feel better about spending more money = ‘worthwhile investment  
• Experience-based visitors: more engaged in local activities |
Scenario 4 The Tahoe Region Balanced Scenario

Based on community input we have developed a fourth blended scenario that includes what residents liked most about each presented scenario. This approach harnessed the creativity of residents across the region and considers a variety of perspectives that lend itself to community credibility.

This new scenario, The Tahoe Region Balanced Scenario is based on the positive elements of each presented scenario including the following elements:

**Moderate growth** - Residents recognize the importance of some level of economic growth and the benefits it brings.

**Visitor Access** - Residents were resistant to restricting access to potential visitors from all economic strata, and support an “Access for All” ethos

**Values alignment** - Residents were supportive of attracting visitors whose values aligned with theirs specifically in the areas of protecting the environment and minimizing the impact on the local community.

Scenario characteristics include the following:

**Strategy:** Moderate tourism economy growth. Create a tourism economy that aligns with priorities and values of the community. Use sensible reservation systems and other tactics to manage peak demand.

**Visitor Mix:** Allow for access at all visitor levels and use marketing strategies to target categories of visitors who signal interest in caring for natural resources and sustainable practices.

**Management:** Future development of amenities, activities, accommodation, etc., would focus on maximizing positive impacts, minimizing negative impacts. Requires new approaches to managing increased volume, including dispersing visitors to less busy times or places.

**Implications for Community:** Alignment with community priorities may create a more welcoming environment for visitors and improve resident satisfaction. May ease pressures of increased visitor volumes. May lead to higher pricing during peak times.

**Environmental Impacts:** Managing for reduction in negative impacts and improving sustainability across the supply chain as well as improving visitor behaviors may reduce environmental impacts.

**Part 4 Lake Tahoe Region Scenario Economic Models**

In order to forecast the outcome of each scenario, this project created a Tourism Impact Model (TIM) to measure and monitor the economic impacts and outcomes of the Tahoe Region’s visitor economy. The TIM delivers deep insights into the region’s economy from 2018 through 2022 and forecasts through 2025. The time-series nature of our TIM allows changes over time to be tracked beginning in 2018 and easily updated each month as new reports become available.

The Tourism Impact Model (TIM) developed for this study quantifies the Tahoe Basin’s visitor economy and thus only focuses on the impacts of its tourism economy. Publicly available tax remittance data is the foundation of the model. For paid overnight visits, the primary sources are monthly Transient Occupancy Tax (TOT) reports. These publicly available reports provide detailed information on room nights, room revenues, and resulting tax payments by lodging type. These reports encompass six geographic regions: the City of South Lake Tahoe and Town of Truckee, as well as lakeside portions of Placer, Washoe, Douglas, and El Dorado counties.

Total visitation, including non-paid overnight visits and day tourists, are extrapolated from the results of various surveys collected in recent years. To estimate the number of visitors staying in non-paid accommodations, including those who stay with friends or family or in their own seasonal homes, visitor ratios were calculated based on findings of the project’s 2022 Visitor Study and other Tahoe Regional Planning Authority surveys. Findings were further adjusted for relative length of stay and unique calculations were made for each of the six geographic regions. Assumptions were also pressure-tested against outside sources, including Visit Lake Tahoe’s 2021 Visitor Profile developed by Omnitrak, another research firm.
Results

The model results for the three original scenarios are identified below.

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<thead>
<tr>
<th>Scenario</th>
<th>Baseline 2022</th>
<th>2025</th>
<th>Change</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,500,000,000,000</td>
<td>$5,211,000,000,000</td>
<td>$711,000,000,000</td>
<td>5.3%</td>
</tr>
<tr>
<td>Visitor Days</td>
<td>16,844,000,000</td>
<td>17,491,000,000</td>
<td>647,000,000,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>Yield</td>
<td>$267</td>
<td>$298</td>
<td>$31</td>
<td>2.9%</td>
</tr>
<tr>
<td>Scenario 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,500,000,000,000</td>
<td>$6,121,000,000,000</td>
<td>$1,621,000,000,000</td>
<td>12.0%</td>
</tr>
<tr>
<td>Visitor Days</td>
<td>16,844,000,000</td>
<td>15,498,000,000</td>
<td>(1,346,000,000)</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Yield</td>
<td>$267</td>
<td>$395</td>
<td>$128</td>
<td>12.0%</td>
</tr>
<tr>
<td>Scenario 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,500,000,000,000</td>
<td>$5,616,000,000,000</td>
<td>$1,116,000,000,000</td>
<td>8.3%</td>
</tr>
<tr>
<td>Visitor Days</td>
<td>16,844,000,000</td>
<td>16,989,000,000</td>
<td>145,000,000,000</td>
<td>0.3%</td>
</tr>
<tr>
<td>Yield</td>
<td>$267</td>
<td>$331</td>
<td>$63</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

As can be seen there are significant differences between each scenario both in terms of revenue growth and visitor levels.

The Balanced Tahoe Scenario

The results of the Balanced Tahoe Scenario can be found below.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Baseline 2022</th>
<th>2025</th>
<th>Change</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$4,500,000,000,000</td>
<td>$5,904,000,000,000</td>
<td>$1,404,000,000,000</td>
<td>10.4%</td>
</tr>
<tr>
<td>Visitor Days</td>
<td>16,844,000,000</td>
<td>17,236,000,000</td>
<td>392,000,000,000</td>
<td>0.8%</td>
</tr>
<tr>
<td>Yield</td>
<td>$267</td>
<td>$298</td>
<td>$75</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Further analysis of Scenario 4 focused on lodging, restaurant and shopping expenses illustrates the actual changes from 2018 to 2022, and 2025 scenario estimates.

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>Baseline 2022</th>
<th>Change</th>
<th>2025</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopping</td>
<td>$573,751,826</td>
<td>$629,670,871</td>
<td>$55,919,046</td>
<td>$850,662,142</td>
<td>11.7%</td>
</tr>
<tr>
<td>Restaurant</td>
<td>$1,169,657,376</td>
<td>$1,426,588,900</td>
<td>$256,931,524</td>
<td>$1,879,188,906</td>
<td>10.6%</td>
</tr>
<tr>
<td>Lodging</td>
<td>$405,964,598</td>
<td>$650,482,095</td>
<td>$44,517,497</td>
<td>$740,746,431</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

The TIM forecasts each scenario by adjusting macro-parameters or parameter categories. For example, there are 20 unique length of stay parameters in the model. In Scenario B, each one is raised 2.5 percent. The macro-parameters are shown in the table below. The growth scenario assumes only that occupancy increases at 2 percent annually. The higher-yield scenario assumes declining visitation with higher average daily rates and prices, along with longer stays. The values-based scenario assumes modest occupancy growth based on management tactics along with modest average daily rate and prices appreciation. The balanced scenario assumes a moderate rate of growth, lower daily rate growth, longer stays and moderate price appreciation.
Summary

The scenario planning and modeling approach provides an important tool in the future direction of the tourism economy of the Lake Tahoe region. The process identified three distinct future scenarios and were presented to the community for evaluation and comparison. Economic models for each scenario were developed in an effort to understand the potential economic and visitation tradeoffs. From those three models a fourth Tahoe Balanced Scenario was developed that reflected community priorities from each of the other scenarios. The Tahoe Balanced Scenario economic model was developed, and the results suggest that the tourism economy can adapt from its current course and incorporate smart management recommendations while at the same time exhibit economic prosperity.
Appendix E: Optimal Value Framework for Tahoe
The Concept and Approach

The Optimal Value Framework (OVF) is a strategic approach that can be used to help destination stakeholders work together to understand and optimize the value of tourism for their community, agree on more balanced measures of success, and prioritize the impact areas most important for them to manage carefully and resource sufficiently. The framework helps identify the strategic levers that increase the benefits of tourism in the destination and minimize the cost or negative impacts of tourism to the destination.

The values (positive and negative) that we take into consideration include:

**Economical value:** revenue generation, employment and how residents and local entrepreneurs in the destinations are benefiting from tourism.

**Cultural value:** conservation of built heritage, intangibles such as original stories, wisdom sharing, customs and beliefs, traditional lifestyles.

**Environmental value:** preservation of natural resources, biodiversity, climate.

**Societal value:** improving the quality of life, housing, access to facilities, health and well-being, diversity, equity & inclusion.

**Individual or Mental value:** health, wellbeing, wellness, opportunities for rest and recharging vs feelings of being overwhelmed, burnout, etc.

Ultimately ‘value’ is subjective and therefore depends upon the views and perceptions of the community. The goal is to help stakeholders think through which impact areas (both positive and negative) are most important to be managed and in which to demonstrate good performance, so that tourism can become as net-positive for as much of the broader community and environment as possible. It results in a set of recommended actions for achieving balance in the destination, which are incorporated into broader planning efforts (in this case, into the Lake Tahoe Destination Stewardship Action Plan), and provides indicators for a destination to use as a monitoring tool.

Stakeholder Perspectives

Through engagement activities at public workshops and in resident surveys, we asked stakeholders what they value and what should be prioritized. In general, environmental priorities came out on top, quickly followed by social priorities particularly around how tourism impacts quality of life and access due to cost of living increases and volumes of users of amenities and recreation sites at peak times. Respondents to our resident survey shared that the two most important ways tourism should contribute to Tahoe:

- Provide support to preserve our natural resources, habitats and ecosystems, including the lake.
- Provide good job opportunities and business opportunities.

Stakeholder priorities for action identified in the resident survey included addressing the following:

- Increased wildfire risk from irresponsible behaviors; Threats to lake water quality from trash, pollution, invasive species;
- Lack of monitoring and enforcement of regulations including parking, litter, etc.; Litter and trash collection; Threats to wildlife habitat; Traffic congestion

These and each of the inputs summarized in the Summary of Stakeholder Engagement informed our conclusions about stakeholder priorities, and resulting recommended actions and monitoring indicators.

The Framework & Analysis

The Optimal Value Framework is based on a set of impact areas with attached value statements on which to base an analysis to understand how well a destination is optimizing tourism’s value currently. By analyzing available data, the framework can tell us how in balance, or out of balance the destination is and point to opportunities for shifts.

The Impact Framework used includes 24 impact areas mapped to the Future of Tourism Guiding Principles. The impact areas fall under the categories of Economic Impacts, Environmental & Climate Change Impacts, Societal Impacts, Cultural Impacts, Tourism Product and Governance. Each was reviewed according to significant challenges being faced, the efforts to address challenges to date, the priority level for future action based on risk and stakeholder consultations, gaps and opportunities for future action, and global destination best practice examples.

Summary of Findings

The review indicates tourism’s impact in Tahoe and the extent to which Tahoe is achieving the optimal scenario in these areas. It indicates that Tahoe is out of balance in several areas, where Tahoe faces heightened risk, associated with outsized impacts as well as climate-related threats, and there are shortfalls that impact the economy, satisfaction, and wellbeing of the communities. These overarching themes are connected to the greatest concerns revealed by the stakeholder consultations.

Under Environmental impacts, there are multiple threats but the main risks here are related to litter & waste, climate change impacts, and water quality.

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3 https://www.futureoftourism.org/guiding-principles
Under Societal impacts, there is waning resident satisfaction related to the access theme - higher cost of living leading to lack of housing and perception of overcrowding, congestion, and disrespectful behaviors impeding quality of life.

Under Economic impacts, the major risks identified here are around the labor shortage and inability to service the tourism economy (and beyond) as well as the tourism and outdoor recreation sectors’ dependence on an increasingly unstable climate.

Destination governance and funding are also highlighted due to risk associated with inability to fulfill funding needs to implement destination stewardship priorities.

To illustrate a destination’s current situation in regard to balance, we turn to the “Doughnut Destination” model developed by Stefan Hartman and Jasper Hessel Heslinga in 2022. The model shows a “safe space” when the foundation is not jeopardized by either overshoots or shortfalls in tourism. Beyond the ceiling or limits are impacts experienced when tourism is not in balance. The Travel Foundation applied our analysis conclusions for Tahoe to this model to help visualize the current overshoots and shortfalls, and help identify limits and thresholds. It also shows us that things are out of balance and it is not just one factor that is responsible. It is also important to note that the resulting overshoots are based on stakeholder priority and future risk, and are not a reflection of effectiveness of current programs or plans, only that they are areas to prioritize for achieving a more optimal situation.

“The Tahoe Destination Donut” is visualized below.

**Monitoring Indicators, Thresholds, and Limits for Tahoe**

The table below provides an overview of potential indicators, for main priority impact areas, for Tahoe to use to monitor progress toward achieving this optimal situation and maintaining balance. There are also threshold or early warning signals, and limits or emergency signals, that can be used for monitoring and for thinking through consequences of inaction in certain high-risk areas. Some of these are dependent on the decision to implement a new program, and may be considered for adoption in the longer term.

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## Optimal Value Framework: Tahoe Destination Monitoring Indicators, Thresholds And Limits

<table>
<thead>
<tr>
<th>PRIORITY IMPACT AREA</th>
<th>INDICATORS</th>
<th>THRESHOLDS (early warning signals)</th>
<th>LIMITS (emergency signals)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic Resilience &amp; Worker Satisfaction</strong></td>
<td>% value of goods and services procured locally by tourism sector</td>
<td>Decrease in customer satisfaction</td>
<td>Business Closures</td>
</tr>
<tr>
<td></td>
<td>% increase in worker satisfaction with tourism employment and conditions</td>
<td>Worker shortage</td>
<td></td>
</tr>
<tr>
<td></td>
<td>% decrease in employment gap</td>
<td>Decreased revenues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>% of businesses relying on tourism for more than 50% of revenue</td>
<td>Temporary closures</td>
<td></td>
</tr>
<tr>
<td></td>
<td># tourism businesses with employment policies/practices relating to diversity [e.g. Spanish-speaking workers], ‘fair wages’, working conditions...</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Resident Satisfaction &amp; Access</strong></td>
<td>YOY changes in resident perceptions of impacts and benefits of tourism</td>
<td>Resident dissatisfaction and tensions</td>
<td>Decline in worker availability due to out-migration</td>
</tr>
<tr>
<td></td>
<td>Reductions in rate of instances of traffic congestion</td>
<td>Resident dissatisfaction with involvement in tourism</td>
<td></td>
</tr>
<tr>
<td></td>
<td># Fines for illegal parking</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decrease in housing gap</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>% of resident survey respondents who feel they have appropriate opportunity to participate in decision-making</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Climate Change</strong></td>
<td>Indicators relating to implementation of adaptation action plans</td>
<td>GhG emissions stay at same rate or increase</td>
<td>Loss of recreation activities due to major climate change events</td>
</tr>
<tr>
<td></td>
<td>Indicators relating to impacts of wildfire and smoke (and any other major risks)</td>
<td>Loss of some recreation activities due to climate change impacts</td>
<td>Or climate dependence</td>
</tr>
<tr>
<td></td>
<td>Total GHG emissions (broken down as much as possible per sector)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>#businesses with emission reduction targets</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Water, Wildlife &amp; Protected Areas</strong></td>
<td>Indicators (e.g. fines) relating to the tourist activities proven to cause the most water quality issues</td>
<td>Lake clarity decreasing</td>
<td>Contaminated water supply</td>
</tr>
<tr>
<td></td>
<td>Indicators of water quality and clarity at different sites.</td>
<td>Increases in invasive species</td>
<td>Loss of native species</td>
</tr>
<tr>
<td></td>
<td>% of annual tourism revenue of tourism businesses contributed to support water clarity efforts (or just total amount contributed)</td>
<td>Instances of algal blooms</td>
<td>Loss of recreation opportunities</td>
</tr>
<tr>
<td></td>
<td>Protected species' population numbers, behavior and habitats at key tourism &amp; recreation sites</td>
<td>Species decline</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Invasive species population numbers</td>
<td>Increase in human-wildlife conflicts</td>
<td></td>
</tr>
<tr>
<td></td>
<td># human-bear conflicts (decreasing)</td>
<td>Damage to protected areas</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial contribution of the tourism sector to conservation and restoration</td>
<td>Decrease in protected area and habitat</td>
<td></td>
</tr>
<tr>
<td>PRIORITY IMPACT AREA</td>
<td>INDICATORS</td>
<td>THRESHOLDS (early warning signals)</td>
<td>LIMITS (emergency signals)</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Litter &amp; Waste</td>
<td>Tourist awareness of waste issue / what action are required of them</td>
<td>Trash on trails, beaches, other public spaces</td>
<td>Inability for system to remove waste at rate required</td>
</tr>
<tr>
<td></td>
<td>Volume of waste collected in receptacles in tourist areas</td>
<td>Higher rate of waste generated than average</td>
<td>Deterioration of experience; resident and visitor satisfaction decreased</td>
</tr>
<tr>
<td></td>
<td>Volume of waste in sensitives areas and lake</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Costs of waste management infrastructure and services per volume of tourists (current and projected)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial contribution of the tourism sector population to waste management services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Destination Governance and Funding</td>
<td>Establishment of destination stewardship council</td>
<td>Lack of funding</td>
<td>Destination stewardship partnership discontinues collaboration</td>
</tr>
<tr>
<td></td>
<td>Funding and staffing levels of council</td>
<td>Slow progress on implementation</td>
<td>Competing priorities or limited resources impede implementation of destination stewardship</td>
</tr>
<tr>
<td></td>
<td>% implementation of Tahoe Destination Stewardship Plan</td>
<td>Lack of resources to monitor, manage, enforce reduction in negative impacts</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ of funds from tourism taxes (or similar) allocated to destination stewardship priorities</td>
<td>Diminished quality of experience according to visitors and residents</td>
<td></td>
</tr>
<tr>
<td></td>
<td>% of funds raised that are specifically allocated to addressing negative tourism impacts</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

See full Optimal Value Framework Analysis Spreadsheet with evidence of initiatives by impact area, recommended actions, other destination best practice examples, and a full set of monitoring indicators by impact area.
APPENDIX F:
Funding Feasibility Report
Lake Tahoe Destination Stewardship Plan
Funding Feasibility Report

Part I: Overview of Funding Mechanisms
Public and Private Funding Mechanisms

Background

Funding for community driven projects can be identified as “private” funding from private sources or “public” funding from government entities or government sources. Most organizations are familiar with private funding sources, including membership and sponsorship programs, private grants, private donations, and providing private services in exchange for compensation. Please see the chart below for a list of private and public funding sources.

Public funding for community projects comes in a variety of forms at the federal, state, regional, and local levels of government. Levies may be imposed on what consumers buy, rent, or use, on owned business or property, or on income received. Such public funding often comes in the form of additional levies in the form of taxes, assessments, and fees. Each of these levies have distinct definitions, unique legal requirements, and separate standards for imposition. Some examples of common public funding revenue mechanisms include: sales taxes, transient occupancy/lodging taxes (TOT/TLT), parking taxes/fees, mitigation fees, zone fees, entry fees, federal and state grants, property transfer taxes, and property taxes. Public funding can also be derived from re-allocations of the growth of current revenue streams.

Sales Tax Increment Financing Districts (TIFs)

One example of a funding source derived from a reallocation of the growth in a preexisting public funding revenue stream is the Tax Increment Financing (TIF) mechanism. First introduced in 1952, property tax increment financing was designed to create a virtuous cycle of investment. Property TIF is a tool used by municipal governments to stimulate economic development in a targeted geographical area. Property TIFs are used to finance redevelopment projects, infrastructure or other investments using the growth, or “increment” of property tax revenue. When a TIF district is established, the baseline amount of tax revenue is recorded using the “baseline” amount of revenue currently received. Over time, the amount of property tax revenue grows, increasing actual tax receipts above the established baseline. While the baseline amount of tax revenue continues to fund existing services, the additional amount in tax revenue above the baseline is used to invest in capital improvements within the designated area.

The success of property TIF districts lead to some states implementing a sales TIF model. Eighteen states and Washington D.C. have implemented sales TIF laws. Instead of using property tax revenue of a geographic area to establish a baseline and collect subsequent increments from increases in property tax receipts, a sales TIF uses sales tax revenue to establish a baseline and collect increments from increases in sales tax receipts. In the context of destination improvement, a sales TIF model would focus on sales tax from tourism-related businesses. Utilizing SIC or NAICS codes, the tourism-related businesses are identified, and the sales tax revenue associated with these businesses is separated from all other sales tax. The increment is invested in the tourism-related or community related service or improvement.

Advantages of the sales TIF model include not increasing a levy on any business or individual and collecting funds from a broad, diversified group of businesses within the travel and tourism industry. Further, the model does not reallocate current revenue away from existing recipients. It only promises future growth in revenue, often growth beyond an established increase, to a specific purpose.

Utah implemented a particularly successful sales TIF model that has been used to fund their state travel office. In 2005, Utah State Legislature established the Utah Tourism Marketing Performance Fund (TMPF). As stated in the name, the TMPF receives funding from sales tax increment generated from tourism-related businesses. In particular, 50% of the sales tax increment received, above a 3% baseline growth, is allocated to the state travel office. The appropriations since the fiscal year 2006 have grown from $6.95M (FY2011) to $23M (FY2021). The allocations of the fund are 70% for the statewide advertising efforts, 20% to the local co-op program, and 10% to the Sports Commission.

Tourism Improvement Districts (TIDs)

The fastest growing revenue model for destinations worldwide is the tourism improvement district (TID). A tourism improvement district (TID) is based on the business improvement district model and is funded through the levy of assessments. A TID is a stable funding mechanism for destinations to fund activities and improvements by imposing an assessment on businesses within a specified geographic boundary. Funds raised through a small assessment on lodging stays, typically a percentage of room rental revenue or a flat rate per occupied room per night, and an assessment on other tourism-related businesses, can be used to provide services desired by, and that directly benefit, businesses within the TID.

TIDs are customized to fit the needs of businesses paying the TID assessment. Assessed businesses have direct input in establishing district parameters, such as the assessment rate and the activities and improvements the TID will fund. TID funds are uniquely characterized by their stability. Funds raised
through the assessment must be spent for the benefit of the businesses paying the assessment and cannot be diverted to other government programs. While the assessments are collected by the local government, the funds are remitted to, and managed by, a private nonprofit corporation. Because the revenue stream is accounted for separately and because the monies are dedicated, the funding is not subject to diversion. TIDs may be created for multiple jurisdictions - however, it is required that each participating jurisdiction provide their consent to be included in such a district.

California currently has legislation enabling the establishment of TIDs pursuant to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code section 36600 et seq.) and the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code section 36500 et seq.). Our research has found no such enabling law providing for the formation of TIDs in the state of Nevada.

Property and Business Improvement Districts (PBIDs)

Another funding mechanism that utilizes a new assessment to generate revenue is a Property and Business Improvement District (PBID). Similar in structure to a TID, PBIDs are a stable funding source designed to provide special benefits to payors. Unlike TIDs, PBID assessments are levied on real property rather than businesses. PBIDs are often used to create a funding stream for the installation of trash cans, litter removal, and general maintenance for assessed property owners within a designated geographic boundary. Owners within the PBID work together to implement significant improvements, provide needed services, and improve the area. Operations of PBIDs are governed by the property owners funding the PBID.

The amount of a PBID assessment is determined, within particular legal guidelines, by property owners at the formation of the district. The assessment may be calculated using a variety of factors such as valuation, lot size, building square footage, parcel frontage along a particular street, or parcel use. Certain types of property can be exempt from all or part of the assessment if they do not benefit from the district services. Funds raised through the assessment must be spent for the benefit of the properties paying the assessment. Like TID revenue, funds raised through a PBID cannot be diverted to other government programs. Typically, a PBID is managed by an existing nonprofit corporation or one specifically formed to manage the district. The property owners forming the PBID decide the composition of the nonprofit’s board of directors.

PBID activities often include security services, clean up and maintenance services, infrastructure improvement programs, marketing programs and many other significant projects. PBID revenue may also be used to fund capital improvement projects and may authorize the use of bonds for such projects.

Both California and Nevada have enabling laws that allow for the creation of property assessments for maintenance, (The Property and Business Improvement District Law of 1994, California Streets and Highways Code section 36600 et seq. and the Consolidated Local Improvements Law, NRS 271.010 et seq., respectively).

Voluntary Districts

Both TIDs and PBIDs are examples of compulsory levies. If enough of the business or property owners meet the legal threshold of consensus to form a TID or PBID in a certain geographical area, then all businesses or properties proposed for assessment within the district will be required to pay the assessment. In some cases, the implementation of such a compulsory levy may not be viable. In such a case, funding may be generated through the creation of a voluntary district.

Voluntary districts are ones in which businesses that wish to be included opt-in through an agreement with the managing entity, e.g. a City or a private non-profit corporation, to receive specified services. Unlike other compulsory funding mechanisms, not all businesses within the designated geographic area are included - only those who opt-in to pay the charge, and only those paying the charge receive the additional services. The businesses who wish to be included in the district typically contract with a designated non-profit to manage the assessment funds collected by the businesses.

If businesses can swiftly come to consensus about district parameters, such as the services and the amount of the assessment that will be levied, voluntary districts can provide the benefit of a quicker formation process as opposed to a TID or a PBID because voluntary districts do not require local jurisdiction approval. Furthermore, voluntary districts are subject to few, if any, government regulations, and can be less expensive to form as they typically only require drafting of the agreements.

Although voluntary districts offer advantages over compulsory levies, they also have disadvantages. Unlike TIDs and PBIDs, which require that services benefit and are provided to only those paying the assessment, there is an argument that benefits of a voluntary district inevitably spill over to those that did not opt-in to the district. Furthermore, voluntary districts may not create the same “level playing field” that a compulsory district creates. The voluntary structure of the levy means that some may not be paying even though they benefit from the programs. Voluntary districts may also require more time and effort for collection. However, a well-crafted voluntary agreement may help with mitigating these risks. We have seen voluntary districts work quite well in smaller geographical zones where gaining a consensus, or even unanimity, of payors is achievable.
Santa Monica was faced with a growing issue of litter and safety along their famous Santa Monica Pier area. To mitigate the issue, the City of Santa Monica and the Santa Monica Travel and Tourism corporation entered into an agreement to administer a voluntary district. The agreement states that hotels within the City of Santa Monica may elect to opt-in to the voluntary district to fund clean and safe services. Participating hotels pay a voluntary levy of one dollar or two dollars per paid occupied room per night in exchange for certain clean and safe services, including uniformed safety services, mental health and related services, and trash/litter pickup on the beach and ocean walk. Hotels that choose to opt-in pass on the voluntary assessment to their customers as a separate line item on the receipt and receive special clean and safe services.

**Part II: Near-Term Funding Solutions**

The Core Team identified two near-term funding priorities: (1) administration of the plan, including staffing and communication, and (2) a litter removal program that would include the installation of trash cans and the provision of litter removal services. The following section will discuss near-term funding solutions to address the two immediate priorities.

**Organization and Administration**

All parties involved in development of the Stewardship Plan (Plan) are committed to the notion that the Plan not simply gather dust on a shelf, but rather be executed on an ongoing basis. To that end, one organization must be responsible for carrying out the action items specified in the Plan. Below we present two governance model options and funding alternatives.

In regard to the organizational structure, it is our recommendation to create a policy setting body, The Lake Tahoe Destination Stewardship Council (Council). (An alternative name is “The Lake Tahoe Destination Stewardship Partnership.”) The Council should include representation from organizations that have committed to fund the efforts outlined in the Plan. In addition, the Council should include minority representation from groups who may not fund the effort, but whose voice needs to be present for the successful stewardship of the Tahoe region.

As to the administration, Governance Model 1 depicts a structure in which the group could chose to identify an existing Tahoe organization to receive and disburse funds, not unlike what TRPA has already implemented. However, there appear to be significant challenges to any one existing Tahoe organization enjoying the unanimous support of the group to administer the Plan.

Another alternative shown below in Governance Model 2 is to create a private non-profit corporation to administer the Plan. While we recognize that there is organizational fatigue in Lake Tahoe, and more than one participant has expressed concern about creating a new organization, a new non-profit corporation has the advantage of no history and an opportunity to focus exclusively on the Plan's goals and objectives. The new corporation would be tasked with administering and implementing the Plan. The committees listed are for illustrative purposes and the group will need to decide which committees will need to be created to implement the programs.

Creating a nonprofit under Governance Model 2 will establish a formal body, operating as its own entity, with the ability to enter its own contracts, receive and distribute funds from outside sources, and operate with increased protection from liability due to its nonprofit status. Furthermore, establishing a nonprofit gives the corporate body the right to exist perpetually, therefore increasing its ability to provide both short-term and long-term solutions. A nonprofit provides an opportunity for clear authority with a consistent public image to take a unified approach in addressing regional issues, such as litter removal initiatives, through implementation of its own cohesive plan. Successful implementation of programs will heighten its organizational credibility and therefore increase future funding opportunities. Creating a 501(c)(3), (c)(4) or (c)(6) corporation would provide the opportunity for existing organizations in the Lake Tahoe Area to commit funds from their existing budgets to address region-wide issues by becoming a member of the Council. The organization should establish a cooperative funding model with tiered levels of membership commitments from existing organizations. The payment tiers should be based on defining factors, such as budget, population, and/or visitation numbers.

An example of the cooperative funding model is the Reno-Tahoe Regional Air Service Corporation (RASC). The RASC receives funding through membership fees and member donations to provide risk mitigation and marketing support to new airline routes which has been successful in bringing positive economic impact to the region. We propose a similar cooperative funding model to fund the creation of the Council.

When considering the issue of staffing, the Council may consider an approach in which minimal oversight is utilized and minimal staff is hired. Once the specific initiatives and activities are identified, the Council can make judgments about the necessary level of staffing and whether the staff are employees, independent contractors, or a mix (subject to applicable state and federal laws).

**Litter Removal**

Litter n the Lake Tahoe Area continues to remain an issue of high priority. While there are various existing programs that do their best to address the issue, there has yet to be a unified litter removal program that comprehensively offers services, programs and messaging for the region.
Although litter tends to be a localized issue, there is widespread agreement that the issue needs to be addressed in a more uniform manner. It is clear from the variety of existing programs that the need for efforts to address litter is at the forefront of the minds of Tahoe’s residents. Messaging surrounding the programs currently lacks uniformity, and varying education efforts creates potential for the spread of misinformation surrounding the litter problem and contradictory opinions of how best to implement litter programs.

Local residents and leaders in the region alike agree - uniform monitoring and enforcement of regulations of litter, increased frequency of trash pick-ups, and a wider capacity for managing litter are immediate needs in the near-term. For these reasons, it is our recommendation that the Council assumes the responsibility of assisting with funding and leads the administration of a standardized regional litter removal program.

Part of the program will be developing standardized parameters and deploying region-wide processes for litter removal programs so any area requesting to enlist the Council’s litter removal program can do so with ease and efficiency. Another aspect of the program will be to establish unified messaging and communications. Further, the Council could create funding templates that may be employed by any local community desiring to raise additional funds for trash removal.

The Council’s program could include:

- Options for purchasing trash cans with uniform branding, all with the capacity to both hold trash and prevent wildlife from entering the trash;
- Contracting with a single vendor for emptying trash cans to streamline trash pick-up efforts (e.g. Clean Tahoe);
- Establishing various methods by which members of the public can contact a toll-free line to report a litter hot spot or area in need of trash collection (i.e. by phone, app, or online submission portal);
- A standardized community education campaign.
- A comprehensive marketing campaign for visitors informing how to properly dispose of trash while visiting.
- A comprehensive calendar of all local community volunteer trash pick-up events.
- A template for local funding of trash removal programs

**Litter Removal Pilot Program**

We recommend two initiatives to generate the necessary funding for litter removal programs. First, that the Council develop a “pilot program” funded from existing revenue to install trash cans and remove litter in a specific hot spot. The project should include a well-known problem area that is highly visible. Funding for this effort should be from existing revenue sources and should be raised based on the cooperative funding model discussed above.

Second, the Council may wish to develop a templated approach for local areas to raise funds to address litter. In many communities, new revenue for litter abatement has been accomplished through a PBID program. Two other fundraising tools that could be offered are a combined PBID/TID or a voluntary district. The Council could develop materials and a set of action items for any community wanting to create a PBID, TID or voluntary district for litter removal. Further, the Council may be able to offer an outline of a program that would include the efficient provision of trash cans, messaging and service delivery.

**Local Funding of Litter Removal**

To address issues of trash cleanup in Tahoe, the TID and PBID funding mechanisms pose viable means of funding efforts to address such issues. Pursuit of TIDs, PBIDs, or a combination of both would allow for concentration of resources on specific areas in the Tahoe region, focusing on areas that are “hot spots” for cleanup services. The process for formation of a PBID or TID typically involves the following steps to formation:

1. **Creation of Formation Resources**

   The beginning of any successful formation process is the development of the project’s infrastructure. The parameters of the project must be outlined to provide clear objectives and assignments to the appropriate parties. A Steering Committee...
is formed during the feasibility phase, typically comprised of a coalition of business or property owners, local jurisdiction leaders, and other interested parties. The Steering Committee leads the project’s education and outreach program in order to maintain and enhance the requisite support for the project.

2. BUDGET CONFIRMATION
The appropriate businesses or properties must be identified and compiled into a database. The Steering Committee may adjust the assessment scenarios or budget determined during the feasibility phase, which will then need to be confirmed by the jurisdiction(s).

3. OWNER OUTREACH & EDUCATION
Owner outreach and education is a critical component of the formation process. The Steering Committee must work to implement an effective outreach and education program. The program will include educating jurisdiction staff and property or business owners within the boundaries of the proposed district, as well as seeking their input on strategies for formation and district parameters.

4. DEVELOPMENT OF DISTRICT PLAN
As parameters for the TID or PBID are being solidified during the outreach process, the required documents for district formation must be drafted. Typically, there must be a plan which contains all parameters for the district including the assessment rate, services to be provided, the boundaries of the district, the governance of the district, and more. Once district parameters have been finalized, the Plan, a sample petition, and in the case of PBIDs, a ballot package will be drafted, and will undergo a review process by the Steering Committee and jurisdiction staff. Finally, the resolutions and notice needed for the hearing process will be drafted and sent to jurisdiction staff for review.

5. PETITION DRIVE
Before the hearing process can begin, a successful petition drive must be completed by the property or business owners. This step includes identifying key property or business owners and collecting signed petitions. This process is led by the Steering Committee, whose outreach efforts prior to the petition process have primed the support needed to complete the petition drive.

6. INITIAL HEARING
The initial hearing, referred to as the Resolution of Intention (ROI), is the first hearing held by the lead jurisdiction to begin TID or PBID formation. In the case of a TID or PBID formed by ordinance, it is at this meeting that the first reading of the ordinance is held as well.

7. NOTICE, BALLOT & PROTEST PERIOD
Shortly following the adoption of the ROI, a mailed notice must be sent to all property owners proposed to be assessed. In the case of a PBID, often an assessment ballot must be mailed to all property owners. During the time between the mailed notice and assessment ballot and the close of the public hearing, property owners in opposition to the TID or PBID may submit protests against formation of the PBID.

8. FINAL PUBLIC HEARING
The public hearing, or Resolution of Formation (ROF), is the final step in the PBID formation process. The Council must hold the public hearing and allow for public comment. In the case of a TID or PBID formed by ordinance, it is at this hearing that the final reading and adoption of the ordinance is held as well.

In the case of a PBID, the jurisdiction must also direct tabulation of assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment. If there is no majority protest by property owners, the City Council may adopt the ROF levying the PBID assessments and forming the PBID.

If a PBID is formed, the assessment will be collected by the jurisdiction in conjunction with property taxes. In the case of a TID, the assessment is typically collected along with Transient Occupancy Tax (TOT).

Part III: Long-Term Funding Solutions
From the commencement of this project, there has been an interest in funding two of Tahoe’s most intractable issues – transportation and affordable housing. These issues have been exacerbated by the COVID 19 pandemic and are the subject of great attention by residents, visitors, and businesses. However, there are significant existing organized efforts focused on building more affordable housing and building needed transportation infrastructure. There is an opportunity in this plan to supplement those efforts and make significant progress on long-term funding options. The notion of zone charges or a basin entry fee has been discussed and are the subject of significant controversy. The Council may seek opportunities in the future to make progress on these items. In addition to the current structures and ideas already being discussed, we recommend that the Council begin action on the development of two long-term funding tools for the Lake Tahoe Community.

TID Legislation for Nevada
Funding transportation systems and other programs through a TID is becoming increasingly popular as a long-term funding solution. For example, the North Tahoe Community Alliance has utilized their TID to fund a wide variety of services in North Lake Tahoe. While still relatively young, the TID has
raised significant revenue to promote the area and implement various stewardship initiatives. The City of Anaheim, California implemented a TID that contributed to their promotion efforts and funded transportation. They allocated twenty-five percent (25%) of their TID revenue budget toward Anaheim’s transportation programs, which are collected and administered by a separate Transportation Committee.

It is clear from these examples and others that TIDs can be useful for maintaining the health of the visitor economy and delivering benefits back to the community. While TID legislation exists in California, there is currently no statute enabling TIDs in Nevada. We recommend TID legislation be pursued in Nevada to explore the TID mechanism as a long-term funding solution for issues in Nevada’s Lake Tahoe area.

Once TID legislation is introduced and enacted in Nevada, there is opportunity for a two-county wide districts in both Nevada and in California. On the California side, the district could encompass the counties of El Dorado and Placer; whereas on the Nevada side, the district could include Washoe and Douglas County. The specifics of who is included and the nature of the specific programs must be determined at a later time. A move now for another long-term funding tool is warranted.

**Micro Transportation Funding**

Transportation has been a long-standing issue for the destination, where during peak seasons, lines of cars wait for hours to enter and leave Lake Tahoe. Many efforts have addressed this issue, including the creation of the TRPA and the Tahoe Transportation District (TTD). More recently, a successful micro transit model was achieved in Olympic Valley | Alpine Meadows with the creation of the Olympic Valley | Alpine Meadows Microtransit District (OV | AM MD). The Council could explore the creation of other micro transit opportunities and may desire to explore broadening the base of payors to other hospitality-related businesses.

The OV | AM MD was formed in 2018 and recently renewed in February 2023, to fund programs to improve traffic congestion, improve parking, and heighten the guest experience. A one and one-half percent (1.5%) assessment is levied on all lodging businesses within the boundaries of the OV | AM MD, including hotels, short-term rental businesses, and ski resort businesses. The revenue is used to fund free, on-demand microtransit within the boundaries of the OV | AM MD. Mountaineer Transit Company (MTC) serves as the administering entity of the OV | AM MD, partnering with Placer County’s Tahoe Truckee Area Regional Transit (TART) system and working closely with the Truckee- North Tahoe Transportation Management Association and the North Tahoe Community Alliance.

The shuttle system utilizes an app to transport guests, employees, and owners of the lodging businesses and ski resorts within the boundaries of the OV | AM MD that are paying the OV | AM MD assessment. This shuttle system is intended to reduce the number of vehicles on the road and decrease the number of cars in parking lots. This has been a major success for the region, serving over 200 thousand passengers since its inception, and providing over 100 thousand rides despite its temporary suspension of service during the COVID-19 pandemic.

The Council may desire to explore additional programs like the micro transit district and assist with facilitation of such districts in the region. It is clear from the existing efforts to address the long-standing issue of transportation in the Lake Tahoe Basin Area that partnerships and collaboration like the ones described are not only helpful, but essential to effectively tackling the issue.

**Sales TIF Legislation**

As previously mentioned in this report, one option of public revenue with a diversified base of payors is the tax increment financing (TIF) model. Both California and Nevada have statutes enabling the creation of property TIF districts. However, neither has a sales TIF tool. A new sales TIF tool for both states would not involve the introduction of a new levy or an increase in taxes.

Unlike property TIF districts, the increment of a sales TIF is derived from the subsequent increases in the sales tax revenue above an established baseline as a result of a specific project. A sales TIF mechanism could be used to fund improvement projects aimed at providing alternative methods of transportation in the Tahoe area, to fund affordable housing initiatives, or other long-term initiatives of the plan.

To pursue this option, the legislation authorizing the creation of sales TIF districts will need to be formulated and introduced in both state legislatures. While the legislative process to enact sales TIF statutes may take multiple years, the enactment of this long-term funding solution could dramatically change the ability to achieve long term goals expressed in this Plan.