

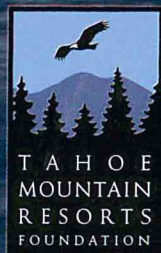
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MEASURING FOR PROSPERITY

The complete Measuring for Prosperity Report is online at:
www.tahoeprosperity.org/prosperity.

The Tahoe Prosperity Center is uniting Tahoe's
communities to strengthen regional prosperity.

Prosperity is defined as the condition of being successful or thriving, especially economic well-being. In order to ensure prosperity in the Lake Tahoe Basin, we must first understand where we are and where we are heading. Measuring for Prosperity does just that.



Lake Tahoe Basin Tourism

Tourism and Visitor Services accounts for approximately \$2 billion of the \$5 billion in revenue generated in the region. While Tahoe will always be a great place to visit, ski areas have seen declining numbers of visitors within the past few years and gaming revenues are also down (figure 1). Lodging properties (figure 2) and retail sales (figure 3) concentrated in town centers are seeing an increase in revenue, showing that visitors may be spending in other areas such as dining and shopping. Other types of recreation such as mountain biking and golfing are improving and the number of people attending outdoor concerts, events and activities in the region seems to be increasing as well. Policy recommendations for local agencies and businesses to consider include encouraging redevelopment to enhance resident and visitor amenities and expanding the variety of recreation activities.

Figure 2

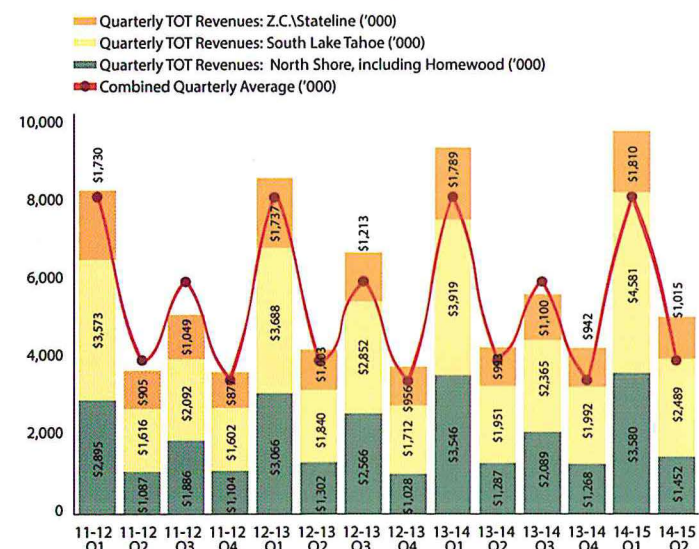


Figure 3

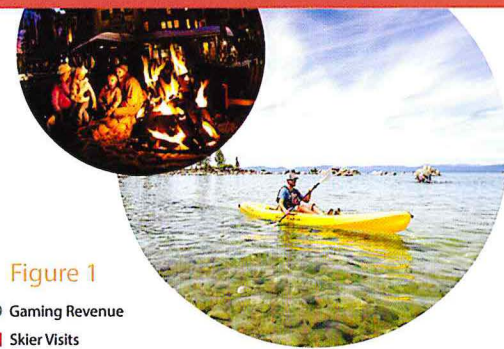
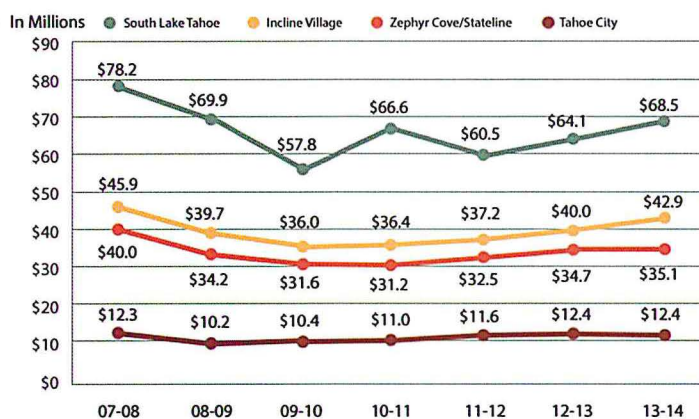
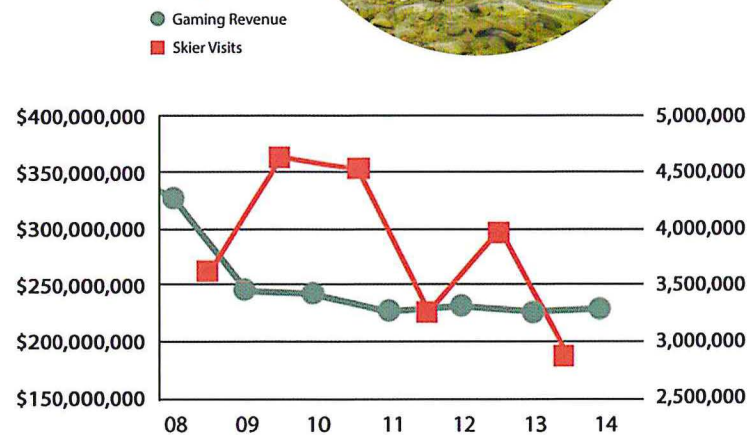


Figure 1

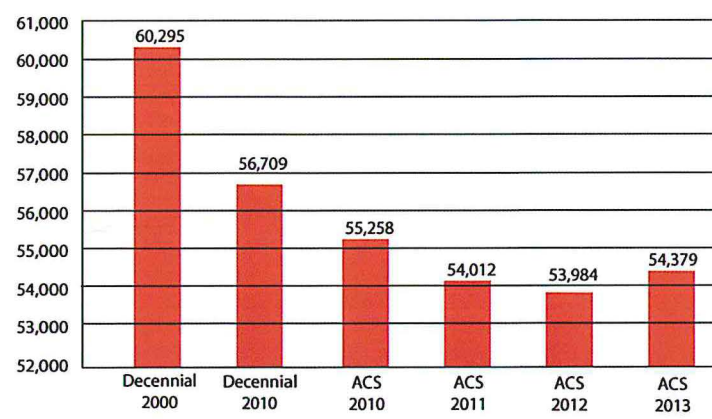


Tahoe's Resident & Visitor Population

Lake Tahoe is a world-renowned destination. While the number of visitors to Lake Tahoe is estimated between 3-5 million people annually, the number of year-round residents has declined significantly since 2000 (figure 4). The high cost of housing and below average wages have forced some to locate housing or employment outside the Basin. The 25-44 year old age range has declined significantly in recent years, which could mean fewer families and prime working age population as the economy begins to recover.

However, in 2013, there was a slight increase in overall population - the first increase in more than twenty years - a hopeful sign.

Figure 4

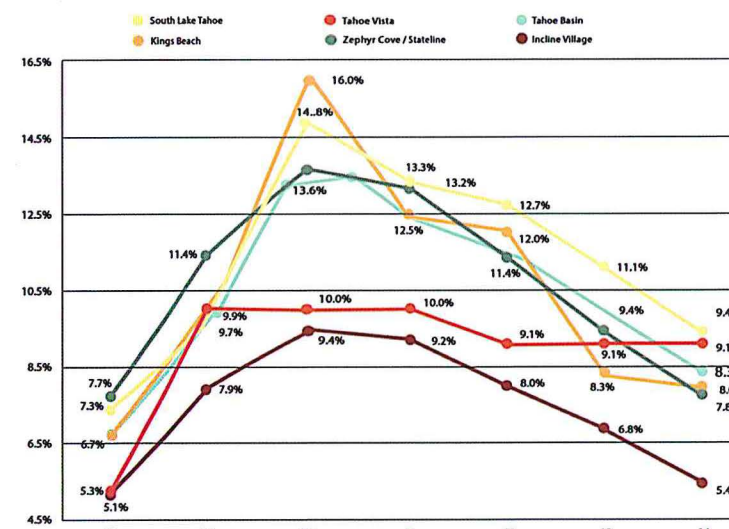


Jobs in Tahoe

Employment in the region is primarily focused on Tourism and Visitors Services. Unfortunately, since the recession of 2008, the region has lost 6,500 workers from the labor force. While the most recent statistics from 2013 show more jobs than workers, many of those jobs are seasonal and low-wage. Tahoe's unemployment rates are higher than state averages (figure 5) although levels have improved since the recession.

Professional jobs show signs of stabilizing between 2009-2013, indicating a positive trend toward higher wage jobs in the region. However, with the influx of 50,000 jobs coming to the Reno/Sparks region by 2020, we foresee significant impacts to the Basin's workforce. The Tahoe Prosperity Center will bring together community leaders, businesses and residents to determine strategies for addressing some of these potential workforce challenges.

Figure 5



Tahoe Real Estate

Basin-wide, home prices have appreciated 10 to 15 percent since 2013 (figure 6), while incomes have declined by approximately 5 percent during this same period.

As of 2010, the median home price in the Tahoe Basin was 1,007% of the median income. This is significantly higher than the ratios observed in other areas, such as Reno (530%) and the Bay Area (838%). One-half to two-thirds of Tahoe's housing are second homes, not primary residences. This results in:

- Fewer spending dollars at local businesses (as compared to a full-time household)
- Fewer tax dollars from sales tax
- Difficulty in building "community" and fostering civic engagement

As a region, it is important to address this discrepancy. Policies encouraging planning that promote new mixed-use retail and housing in town centers, workforce housing subsidies for large employers and loan assistance programs for full-time residents are some ideas for consideration.



Figure 6

