

COLOMA LOTUS AREA

ECONOMIC IMPACTS ON EL DORADO COUNTY

Introduction

El Dorado County is known for its natural scenery and welcoming environment, which is why it is the playground for the Greater Sacramento Region and San Francisco/Bay Area. With its rich history, pristine parks, unique shopping and dining experiences, and its status as a premiere destination for outdoor recreation, the Coloma Lotus Area is a draw for travelers from across the United States and around the globe. As such, it also helps these visitors discover other tourism destinations throughout El Dorado County, including Apple Hill, Placerville, and surrounding areas making tourism the leading economic driver not only in the local area, but in the County as a whole.

Tourism plays a vital role in driving the Coloma-Lotus region's economy. The influx of tourists seeking adventure, relaxation, and cultural experiences provides a significant boost to local businesses and employment opportunities. The region's tourism sector includes accommodations, dining establishments, adventure tourism companies, and outfitters. Moreover, tourism contributes to the preservation and conservation of the area's natural and historical assets, as the community actively works to maintain the integrity of its landscapes while embracing sustainable practices. By offering a unique blend of natural beauty, historical significance, and a thriving tourism industry, the Coloma/Lotus region continues to captivate visitors and drive economic prosperity.

To help quantify the economic impact and benefits of tourism, El Dorado County and the Coloma Lotus Business Council partnered to conduct a regional survey of visitors and local businesses in the Spring and Summer of 2021.

Among the survey's key findings:

- Visitors from across the country come to the area and stay an average of 2-3 days.
- The top three attractions bringing visitors to the region are whitewater rafting, kayaking and swimming (77.9% of respondents), Visiting Marshall Gold Discovery State Park (46.4%), and eating out/going to a restaurant or bar (47%).
- Many visitors who stay more than one day spend anywhere between \$1,000 and \$10,000 per trip, generating a total of \$100,000 in local sales tax and TOT revenues in 2021 alone, and \$500,000 from 2017-2022.
- Of note, while tourism and recreation are the main drivers for the local economy, local businesses and residents also heavily rely on the food services, retail, financial, and other personal and professional services present in the Coloma/Lotus area.

In summary, the economic engine that is the Coloma Lotus area contributes substantially to the economy of El Dorado County. Though the area brings visitors and supports local residents and businesses, it does not have any direct County funding with local control to address issues such as impacts on infrastructure, expanding services, and other needs that the survey identified. Direct funding could be used to generate a sustained upward momentum of economic vitality for both the local area and the County at large by helping to create more jobs, bring in more visitors, enhance local services, and increase revenues.



Survey Methodology

Conducting visitor and business surveys is a crucial component in developing an accurate and comprehensive economic impact report. These surveys provide invaluable insights into the behaviors, preferences, and spending patterns of both visitors and local businesses, which are essential for understanding the overall economic impact of a particular region or event.

By collecting data directly from visitors, such as their demographics, travel habits, and expenditures, as well as gathering information from businesses regarding their revenues, employment, and supply chain connections, these surveys offer a holistic view of the economic contributions and opportunities present within a given area. The results obtained from such surveys help policymakers, economic development agencies, and businesses make informed decisions, shape effective strategies, and measure the success of initiatives aimed at enhancing local economies. Ultimately, conducting visitor and business surveys is an indispensable tool in accurately assessing the economic impact and ensuring sustainable growth and prosperity for a community or destination.

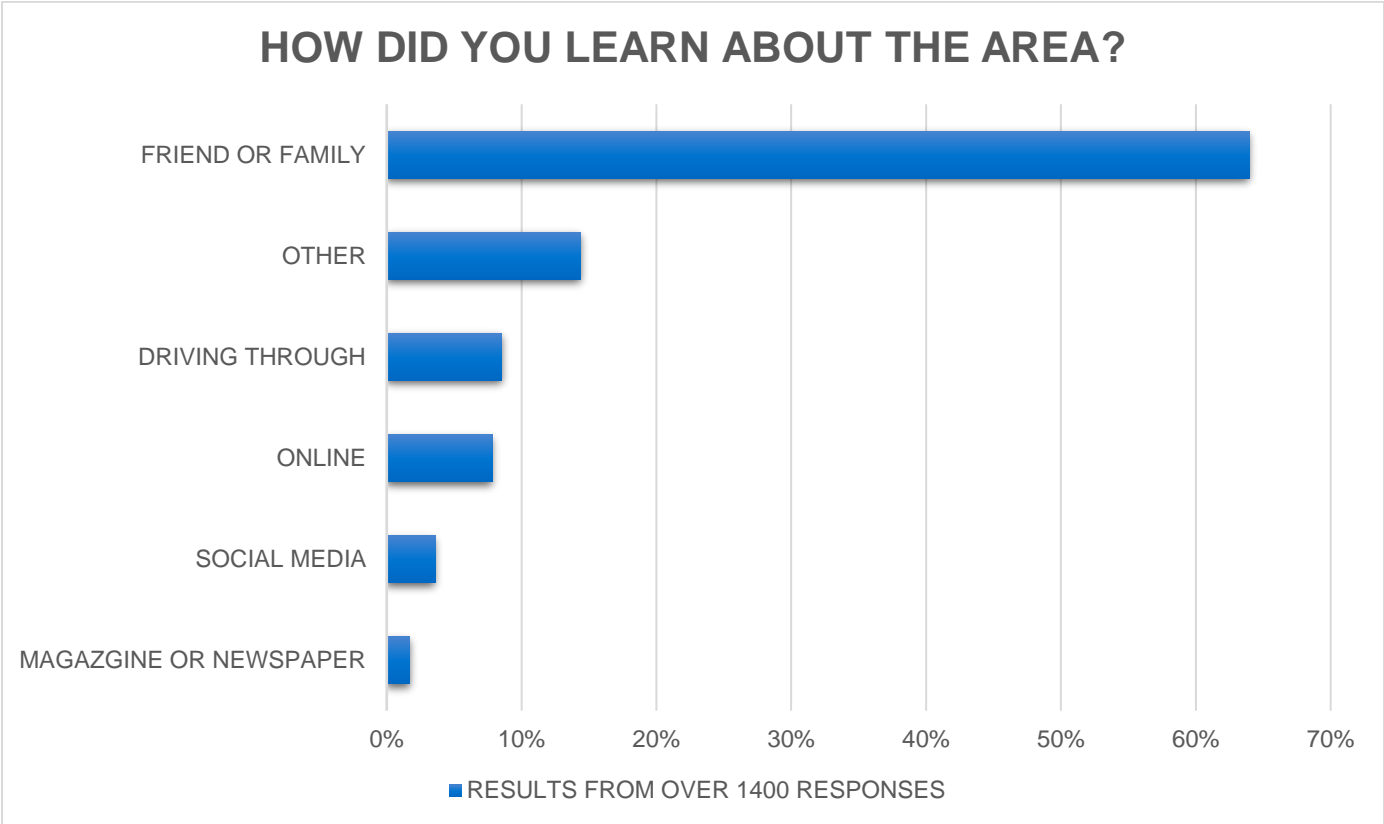
Visitor Survey: The Visitor Survey was conducted over six months and captured information from more than 1,400 visitors to the area. The information gathered came from both online surveys to visitors and on-the-ground, in-person surveys during the peak season. The goal was to capture information from visitors to gain a holistic view of the overall impact of tourism to the region. We received a total of 1,461 respondents from both online and in-person surveys. There were 181 online surveys and 1,280 in-person interactions.

Questions posed to visitors ranged from their origin of travel to activities pursued in the region, how they became aware of the area, how much they spent while visiting, and if or where they stayed overnight in Coloma/Lotus. The full survey results are included in the appendix of this report.

Business Survey: The business survey was conducted over 4 months and asked questions designed to help the team understand the primary economic drivers in the region, workforce impacts of local businesses, the financial impact of the region in both tax generation and gross revenue. Surveys were conducted in person, online and via email. More than 40 businesses participated in the survey. Full results are included in the appendix.

Survey data was extrapolated by employing statistical methods to forecast and estimate future trends based on the responses gathered, and its impact lies in offering valuable insights for informed decision-making, strategic planning, and accurate forecasting.

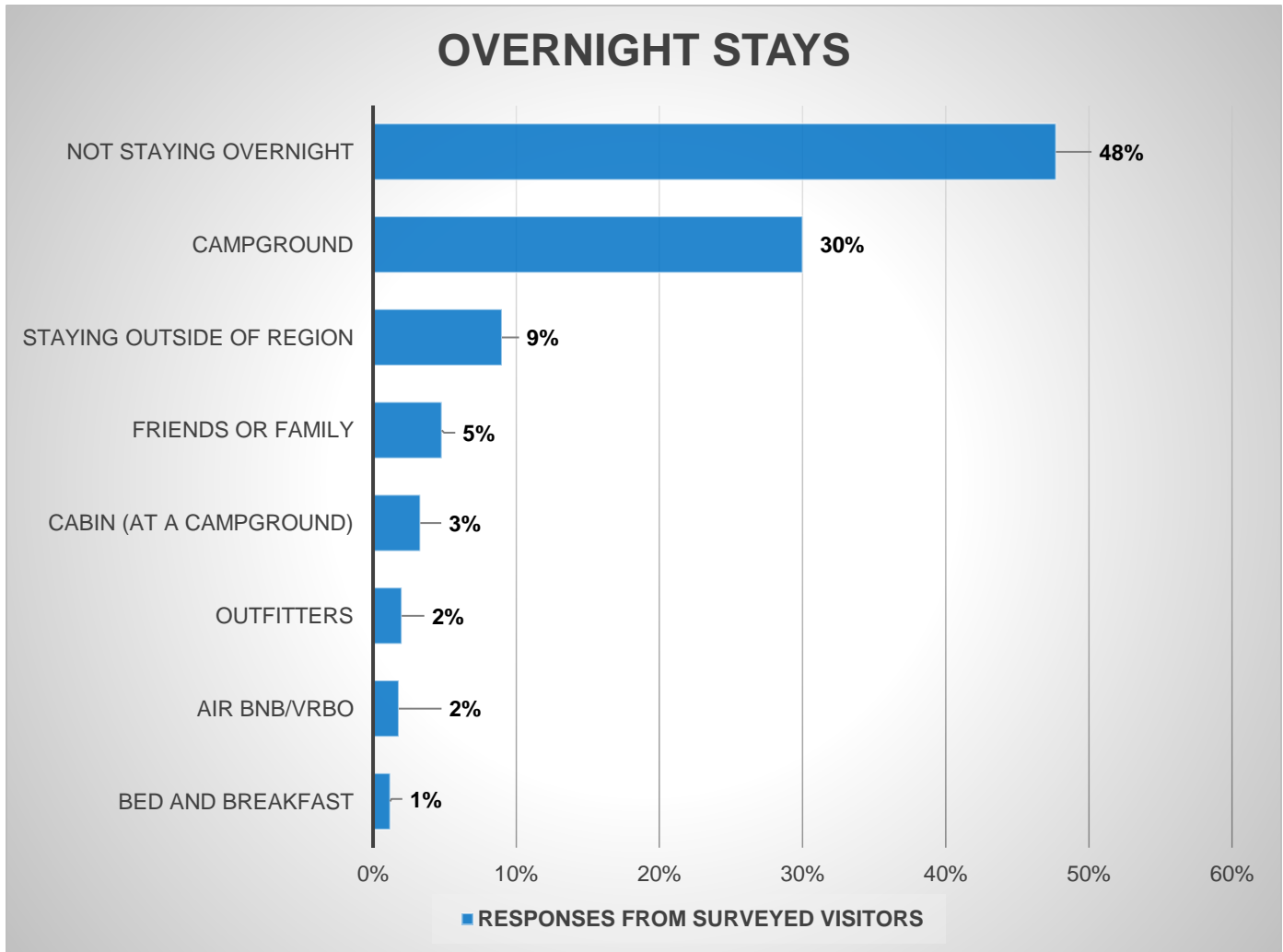
How Visitors Hear About the Area: The vast majority of visitors come to the Coloma-Lotus region based on a recommendation from friends or family. The next highest defined reasons for visits are interest generated from online research or tourists travelling through the area decide to make a stop on their way somewhere else.



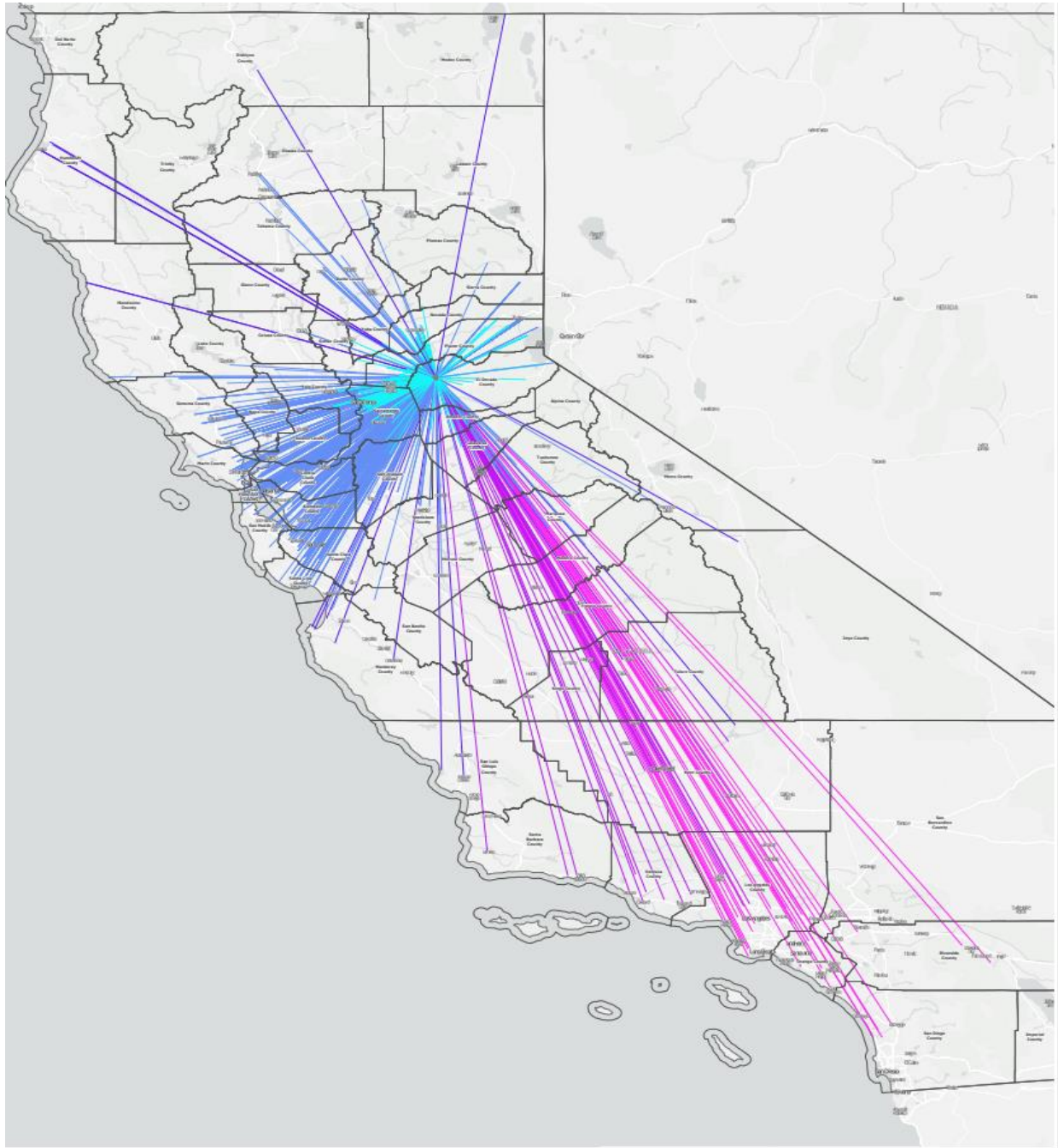
Why People Visit: The top three reasons visitors come to the area include visiting Marshall Gold Discovery State Park, Whitewater Rafting or Kayaking, and Eating Out/Going to a Restaurant or Bar. Other top reasons included swimming, live music, hiking, camp and visiting local parks.



Where People Stay: For those visitors that stay overnight, the average length of stay is 1-2 nights, with campgrounds being the #1 option visitors choose.



Where They Come From: While the area truly draws visitors from around the country, the majority of visitors are coming from Northern California. Of the 1,400 people surveyed 1,143 disclosed their origin of travel, 988 came from within California and 155 from outside the state, with the majority of those coming from northern California.



4400
 THE CALIFORNIA STATE GEOLOGICAL SURVEY AND PLANNING DIVISION AND
 REGIONAL AND DISTRICT OFFICES ARE NOT RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION,
 REPRESENTATIONS AND WARRANTIES CONTAINED HEREIN OR FOR THE CONSEQUENCES
 THEREOF.
 ALL RIGHTS RESERVED. CALIFORNIA STATE GEOLOGICAL SURVEY AND PLANNING DIVISION
 1500 NORTH ZEDLER AVENUE, SUITE 100
 SACRAMENTO, CALIFORNIA 95833
 WWW.CSGS.CA.GOV
 916.227.1234
 916.227.1235
 916.227.1236
 916.227.1237
 916.227.1238
 916.227.1239
 916.227.1240
 916.227.1241
 916.227.1242
 916.227.1243
 916.227.1244
 916.227.1245
 916.227.1246
 916.227.1247
 916.227.1248
 916.227.1249
 916.227.1250
 916.227.1251
 916.227.1252
 916.227.1253
 916.227.1254
 916.227.1255
 916.227.1256
 916.227.1257
 916.227.1258
 916.227.1259
 916.227.1260
 916.227.1261
 916.227.1262
 916.227.1263
 916.227.1264
 916.227.1265
 916.227.1266
 916.227.1267
 916.227.1268
 916.227.1269
 916.227.1270
 916.227.1271
 916.227.1272
 916.227.1273
 916.227.1274
 916.227.1275
 916.227.1276
 916.227.1277
 916.227.1278
 916.227.1279
 916.227.1280
 916.227.1281
 916.227.1282
 916.227.1283
 916.227.1284
 916.227.1285
 916.227.1286
 916.227.1287
 916.227.1288
 916.227.1289
 916.227.1290
 916.227.1291
 916.227.1292
 916.227.1293
 916.227.1294
 916.227.1295
 916.227.1296
 916.227.1297
 916.227.1298
 916.227.1299
 916.227.1300
 916.227.1301
 916.227.1302
 916.227.1303
 916.227.1304
 916.227.1305
 916.227.1306
 916.227.1307
 916.227.1308
 916.227.1309
 916.227.1310
 916.227.1311
 916.227.1312
 916.227.1313
 916.227.1314
 916.227.1315
 916.227.1316
 916.227.1317
 916.227.1318
 916.227.1319
 916.227.1320
 916.227.1321
 916.227.1322
 916.227.1323
 916.227.1324
 916.227.1325
 916.227.1326
 916.227.1327
 916.227.1328
 916.227.1329
 916.227.1330
 916.227.1331
 916.227.1332
 916.227.1333
 916.227.1334
 916.227.1335
 916.227.1336
 916.227.1337
 916.227.1338
 916.227.1339
 916.227.1340
 916.227.1341
 916.227.1342
 916.227.1343
 916.227.1344
 916.227.1345
 916.227.1346
 916.227.1347
 916.227.1348
 916.227.1349
 916.227.1350
 916.227.1351
 916.227.1352
 916.227.1353
 916.227.1354
 916.227.1355
 916.227.1356
 916.227.1357
 916.227.1358
 916.227.1359
 916.227.1360
 916.227.1361
 916.227.1362
 916.227.1363
 916.227.1364
 916.227.1365
 916.227.1366
 916.227.1367
 916.227.1368
 916.227.1369
 916.227.1370
 916.227.1371
 916.227.1372
 916.227.1373
 916.227.1374
 916.227.1375
 916.227.1376
 916.227.1377
 916.227.1378
 916.227.1379
 916.227.1380
 916.227.1381
 916.227.1382
 916.227.1383
 916.227.1384
 916.227.1385
 916.227.1386
 916.227.1387
 916.227.1388
 916.227.1389
 916.227.1390
 916.227.1391
 916.227.1392
 916.227.1393
 916.227.1394
 916.227.1395
 916.227.1396
 916.227.1397
 916.227.1398
 916.227.1399
 916.227.1400

Coloma and Lotus Visitor Survey
 County of El Dorado
 State of California

Visitor Distance Traveled (Miles)
 0 - 50
 51 - 150
 151 - 250
 251 - 350
 351 - 450
 Coloma / Lotus Area
 CA County Boundaries

Visitors
 Total: 1,143
 From CA: 988
 Other: 155

Areas of Need or Opportunity: Visitors highlighted a desire for more public access to the river, including more varied outdoor activities. Some of those activities included riverfront access to trails and swimming, bike trails, and sporting activities like tennis and pickle ball. Some respondents also expressed a desire for rental scooters to navigate the valley.

BUSINESS SURVEY

Key takeaways from the business survey include:

- The area includes more than 1,000 employees (full-time and seasonal), generating \$31.8 million in annual revenue, with annual payroll more than \$8.4 million.
- The three main employers in the region are:
 - **Whitewater outfitters**, which generated approximately \$20,400,000 in gross annual revenue on average since 2018 (among 22 outfitters). The total employee count is just over 900 with an annual payroll of \$5,750,000. These 22 outfitters served 142,410 visitors (not only river users) during the 2021 season.
 - **Food service establishments**—which serve the seasonal visitors and local residents year-round. The food establishments that participated in the survey produced roughly \$2,900,000 in gross revenue last year. The total employee count including many seasonal employees, was over 80 with an annual payroll of \$1,125,000, and they served more than 360,000 customers.
 - **Camping facilities** reported a combined total of \$5,810,000 in gross revenue. The annual payroll for the camping facilities with approximately 60 employees came in at \$1,625,000 and serving more than 105,000 customers.

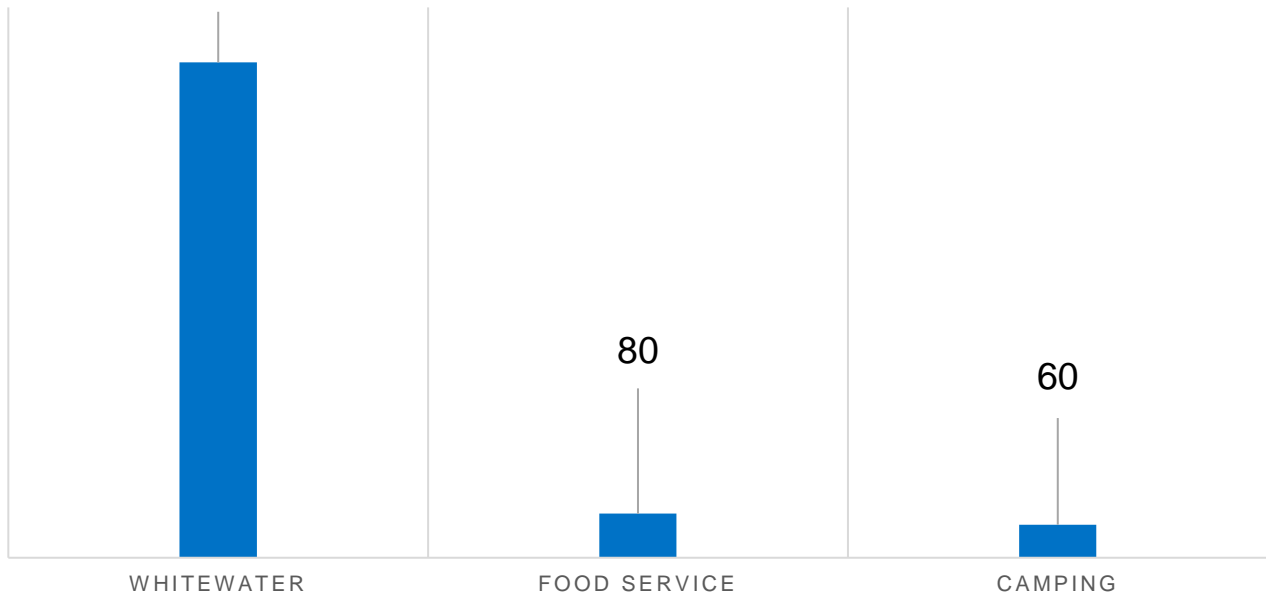
GROSS REVENUE

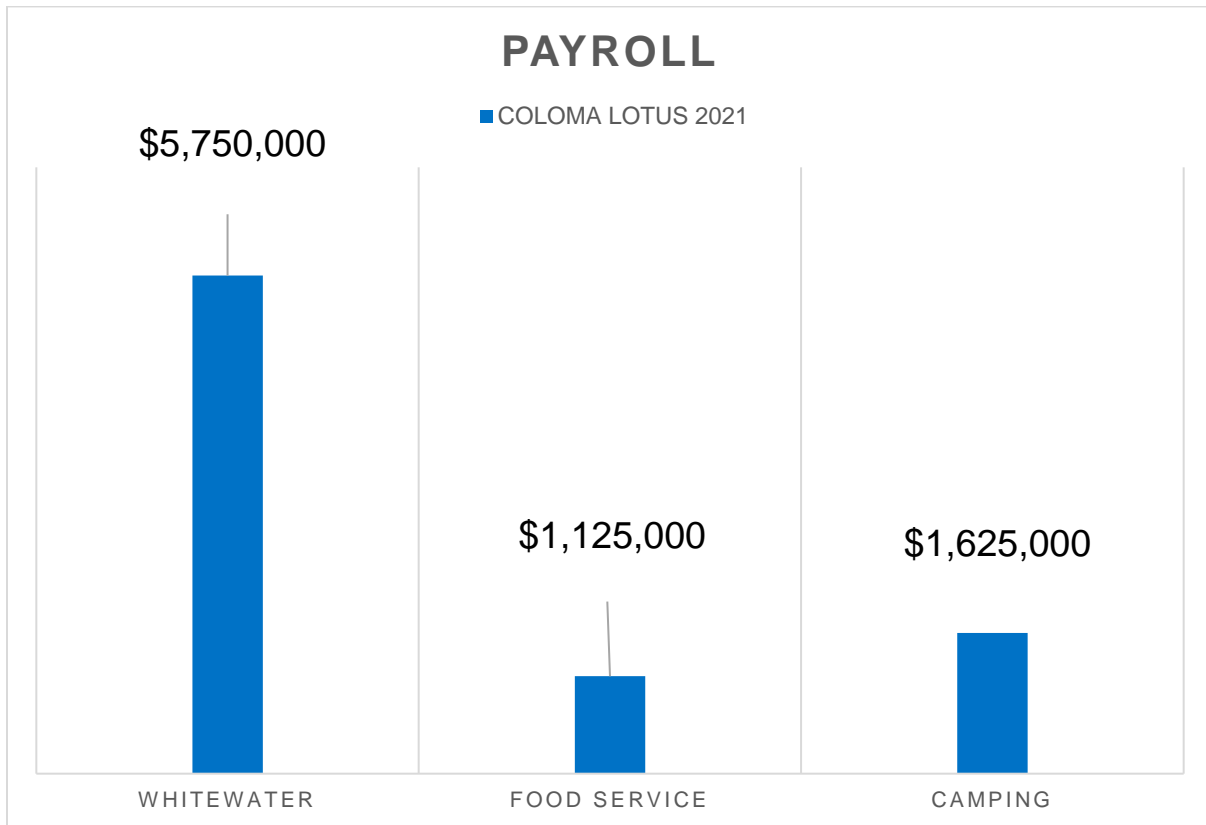
■ COLOMA LOTUS 2021



EMPLOYEE COUNT

■ COLOMA LOTUS 2021

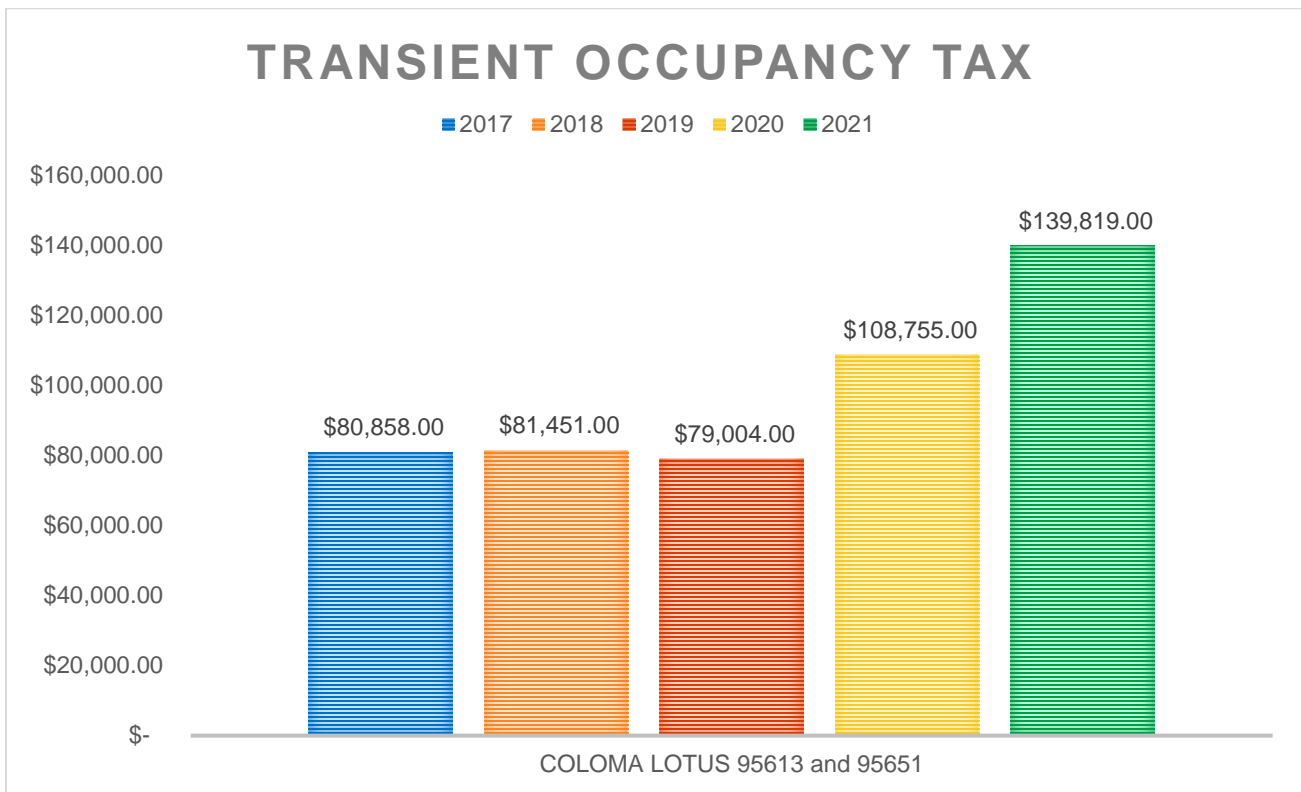




The remainder of businesses that replied to the survey produced an annual gross revenue of \$2,655,000 with a total of 120 employees. These business include those that depend on tourism but don't offer tourist specific services i.e. hardware store, accountant, and retail/etc.. These businesses served 324,197 customers over the course of the year. The additional industries can be found in the comprehensive survey results.

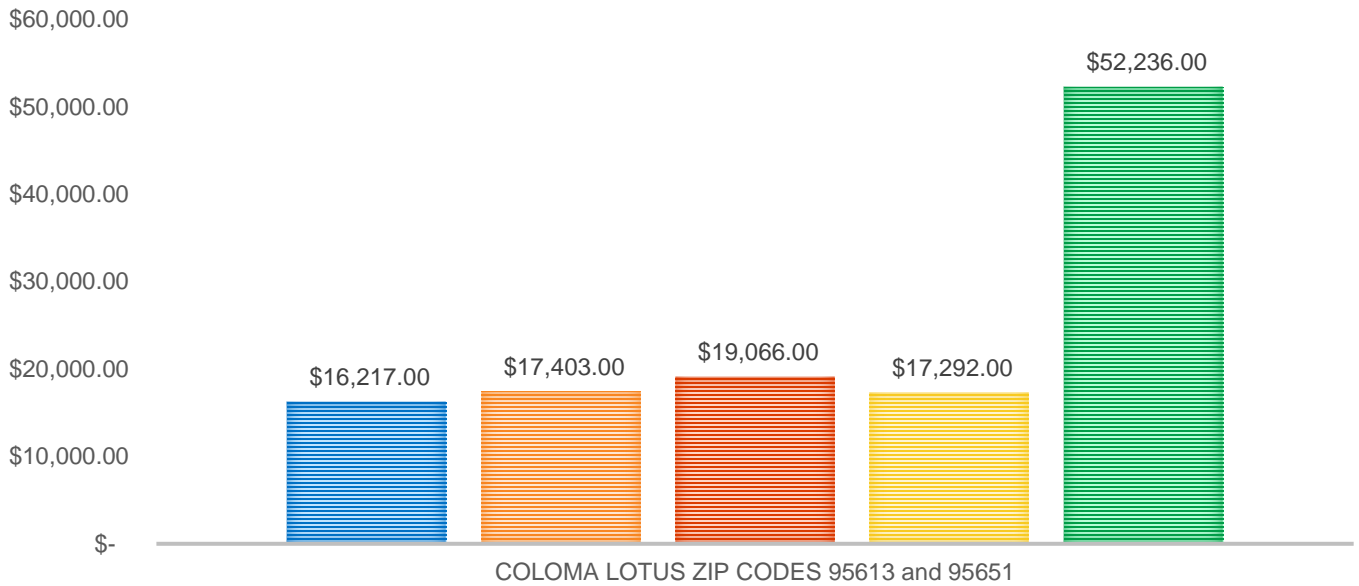
The tax generation from the Coloma Lotus region is expressed in the forms of sales tax, property tax and transient occupancy tax (TOT).

The generation of the various taxes in the Coloma/Lotus region from the years 2017-2021 are depicted below:



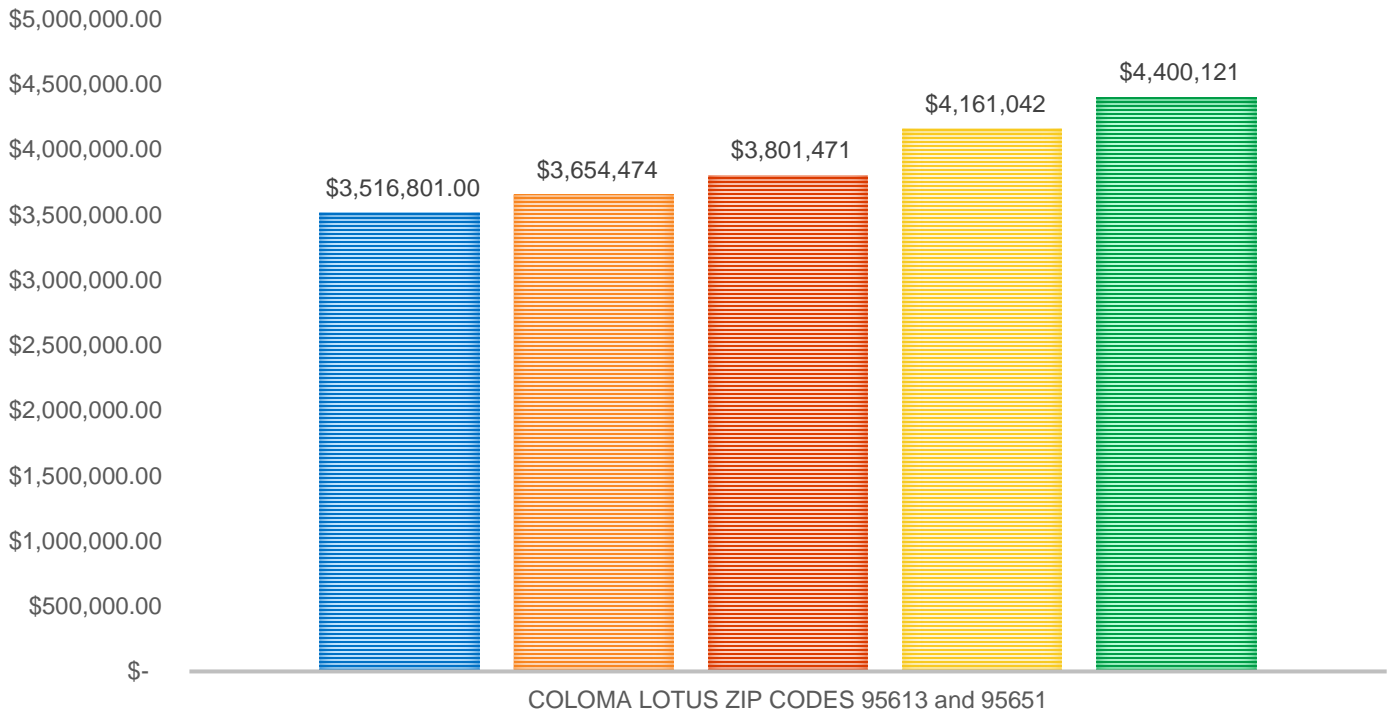
SALES TAX

■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



GROSS PROPERTY TAX

■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



The Coloma Lotus area brings substantial visitors and money to the area, which contributes significantly to the general revenue at the County level. More than \$350,000 of TOT alone was brought in over the last 4 years. Further, as shown above, the area has seen growth in TOT revenues both prior to and during the COVID pandemic.

In conclusion, the generation of transient occupancy tax (TOT), sales tax and property tax in the Coloma/Lotus region presents a compelling case for the county to invest in the area. The TOT revenue generated from the region's vibrant tourism industry can be a valuable resource that, if strategically allocated, can unlock numerous benefits for the local community and promote long-term economic growth.

First and foremost, investing in the Coloma/Lotus region can enhance the recreational infrastructure and amenities necessary to support the growing number of tourists. Improved active transportation and parking facilities, signage, and public transportation investments can also add to the overall visitor experience. By providing convenient access and well-maintained infrastructure, the county can attract even more visitors and encourage them to extend their stays, leading to increased TOT revenue.

Moreover, investing in the region's tourism industry resources, such as increasing and upgrading county park facilities, river accessibility, multi-modality and active transportation, trail systems, and promotions, marketing, and social media, can have a positive ripple effect on the local economy. The infusion of funds can support the growth of small businesses, such as hotels, bed and breakfast establishments, restaurants, recreational outfitters, and retail stores. These enterprises, in turn, create jobs, stimulate entrepreneurship, and contribute to the region's overall economic vitality. **Supportive efforts can also be channeled towards marketing and promotion efforts, attracting a wider audience and driving sustained tourism growth.**

Investments in the Coloma/Lotus region can also lead to significant environmental and cultural benefits. The area is renowned for its natural beauty, outdoor recreational opportunities, and

historical significance as the birthplace of the California Gold Rush. By collaborating with State Parks and BLM on conservation and preservation efforts, the county can safeguard the region's natural resources and historical landmarks, ensuring their enjoyment for generations to come. This preservation not only contributes to the quality of life for residents but also enhances the area's appeal to tourists seeking authentic and immersive experiences.