



FOR IMMEDIATE RELEASE

North Lake Tahoe Resort Association receives the green light to create a Tourism Business Improvement District

The proposed TBID will bolster a year-round economy, offset tourism impacts and support local businesses

North Lake Tahoe, Calif. (Dec. 29, 2020) – The Placer County Board of Supervisors voted to start the formal process to create a Tourism Business Improvement District (TBID) in the North Lake Tahoe region to bolster a year-round economy, offset tourism impacts and support local businesses.

The new TBID could generate up to \$7 million of locally controlled funds annually to support infrastructure projects and services and free up millions in local guest lodging tax revenues for workforce housing and traffic mitigation initiatives.

“This is an amazing first step for our business community in North Tahoe. Having worked on transportation and workforce housing issues for decades, I am pleased to see the direction this effort is taking,” said District 5 Supervisor Cindy Gustafson. “While TOT has served to bring many amazing projects to the community, I am excited about the business equity the TBID will bring. Many businesses that currently benefit from tourism do not have an avenue to contribute and participate in the conversation about the best use of local investment funds. I know that these are challenging times, but I am confident we will look back at this landmark as first step toward a more economically viable and collaborative North Tahoe.”

The TBID would fund \$3.15 million for marketing and visitor services - functions Placer County currently contracts with and allocates transient occupancy tax revenue to the North Lake Tahoe Resort Association to provide. With those services funded by a TBID, that \$3.9 million of transient occupancy tax revenue would be freed up to fund other local priorities, primarily local housing and traffic mitigation projects.

The remaining TBID funds will be used for offsetting tourism impacts, advocacy on behalf of local businesses, and economic development initiatives. The TBID gives the local business community full control of the funds.

“This is a major step forward in our efforts of forming a Tourism Business Improvement District for the North Lake Tahoe business community,” said Jeffrey Hentz, CEO of the North Lake Tahoe Resort Association. “The overwhelming support from all industry sectors validates the urgency and excitement for the funds that will be available from this initiative for critical visitor impact projects and programs. This TBID is a real example of partnership with Placer County, NLTRA, and the North Lake Tahoe business community coming together to build a cooperative business model that addresses key tourism impact needs and funding solutions.”

The NLTRA focuses on a full spectrum of tourism services, rooted in midweek and shoulder-season visitation and targeting the long-haul traveler in nonstop flight markets. This includes conference and leisure sales, consumer marketing, special events, public relations and visitor services for businesses in the North Lake Tahoe area. The Chamber of Commerce focuses efforts on educational support, industry communications, business development and advocacy, networking and economic analysis.

The NLTRA produces original content in-house to serve local businesses, most recently launching a gift card program and two shop/eat local campaigns to drive revenue for retailers and restaurants. With guidance from a 14-member Board of Directors and six committees, representatives from a broad range of business industries in North Lake Tahoe advise on consumer initiatives and corresponding budgets to ensure they reflect goals outlined in the Tourism Master Plan.

“We are humbled by the work we are able to do for the local business community and take very seriously the role we have in revenue generation for local business industries. We will continue to serve with equity, transparency and ethic,” continued Hentz.

Reports show a more than \$200 million funding gap to implement regional priorities identified in the Tourism Master Plan, including housing, transportation and economic development activities. A TBID will help close this gap and allow the North Lake Tahoe region to effectively compete with its neighbors, including South Lake Tahoe and Truckee, which have already formed their own districts. Throughout the state there are currently 109 TBIDs in operation in other tourism-based communities.

California law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. The governing board for the TBID is established through the TBID formation process and would include representation from lodging, restaurant, retail and activities businesses located within the boundaries of the eastern portion of unincorporated Placer County.

Businesses within the TBID would be assessed based on annual revenues, at different rates according to the business type and size. Lodging would be assessed at two percent, except Squaw Valley Alpine Meadows and Northstar (which already have their own assessment districts) will be assessed at one percent. For all other tourism-related businesses, one percent will be assessed on revenues greater than \$150,000 and businesses making under that will be subject to a flat fee.

The next steps in the process will be the distribution of official notices to businesses that would be included in the district and holding public meetings to hear any comments or concerns. If the board, following the public hearing, determines there is no majority protest to the TBID, the board can adopt a resolution of formation.

The TBID would last five years under the current proposal. After five years, the board would again vote on whether to reestablish the district. Following recent approval from the Placer County Board of Supervisors, a public hearing notice will be sent in January 2021, followed by a public meeting in late January and a final public hearing in March.

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About North Lake Tahoe Resort Association:

The North Lake Tahoe Chamber | Resort Association | CVB has supported small businesses and major resorts for over 65 years, ultimately enhancing the strong and vibrant North Tahoe business community. The Resort Association combines Chamber of Commerce and Destination Marketing services to assist local businesses and connect community leaders. Guided by directives outlined in the Tourism Master Plan, the team is focused on midweek and shoulder season visitation, transportation and housing solutions, and visitor services. The North Lake Tahoe Resort Association ultimately provides a collective voice for the local community.

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