

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, County Executive Officer
Submitted by: Jennifer Merchant, Principal Management Analyst

DATE: November 25, 2008

SUBJECT: Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds in the amount of \$30,000 to undertake in-depth tourism economic analysis and various public assessment surveys.

Action Requested

Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds in the amount of \$30,000 to undertake in-depth tourism economic analysis and various public assessment surveys.

Background

In 1996 voters in Eastern Placer County approved a two percent increase in the Transient Occupancy Tax (TOT), which provided an opportunity to set aside funding for transportation and infrastructure project development in addition to existing tourism marketing and visitor information services. To administer these additional programs, Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association. This agreement requires Board of Supervisors approval prior to expenditure from the infrastructure portion of the agreement budget.

The Resort Association's Infrastructure Committee and Board of Directors have voted to recommend that the County Executive Office carry forward the following project for approval by your Board. In doing so, they affirm that the project is consistent with the Resort Association's Tourism and Community Development Master Plan, which was approved by your Board in July 2004. Therefore, the following NLTRA infrastructure expenditure is being recommended by the County Executive Office for approval.

Brief Project Description / Funding Request:

Economic and Opinion Research - \$30,000

The recommended Infrastructure Fund expenditure will co-fund two economic research reports and two public assessment surveys. They include an update of the 2003 Report on the Economic Significance of Travel to the North Lake Tahoe Area, participation in a similar countywide study being coordinated by the Placer County Economic Development Department, and community and visitor surveys that will be used to

assess initial interest in capital and transit operations projects that could be funded with TOT funds set aside specifically for those purposes. The surveys will be conducted through mailback, website and email surveys. Results are expected by mid-winter.

The total Resort Association share of the research and survey package is expected to cost \$80,000. Other funding sources include Resort Association marketing and research and planning dollars.

Fiscal Impact: The funding described above would come from the Resort Association's FY 2008-2009 County Agreement budget funds designated for infrastructure improvements. There are sufficient funds available within this budget category to cover the amount of the requested expenditure approval.

Environmental Analysis: The Board of Supervisor's approval of the NLTRA's expenditure funding contribution to this infrastructure project is categorically exempt from CEQA per Section 15061, which provides a general rule that if an activity does not have the potential to cause a significant environmental effect, it is exempt from CEQA. The specific projects were and continue to be evaluated under CEQA by the corresponding lead agencies.

Recommendation: Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds in the amount of \$30,000 to undertake in-depth tourism economic analysis and various public assessment surveys.

The recommended project represents the cooperation of multiple agencies and funding partners and the expenditure has the potential to lead to significant improvements to the tourism infrastructure at North Lake Tahoe. The project recommended for funding is consistent with goals in the Resort Association's Tourism & Community Investment Master Plan.