

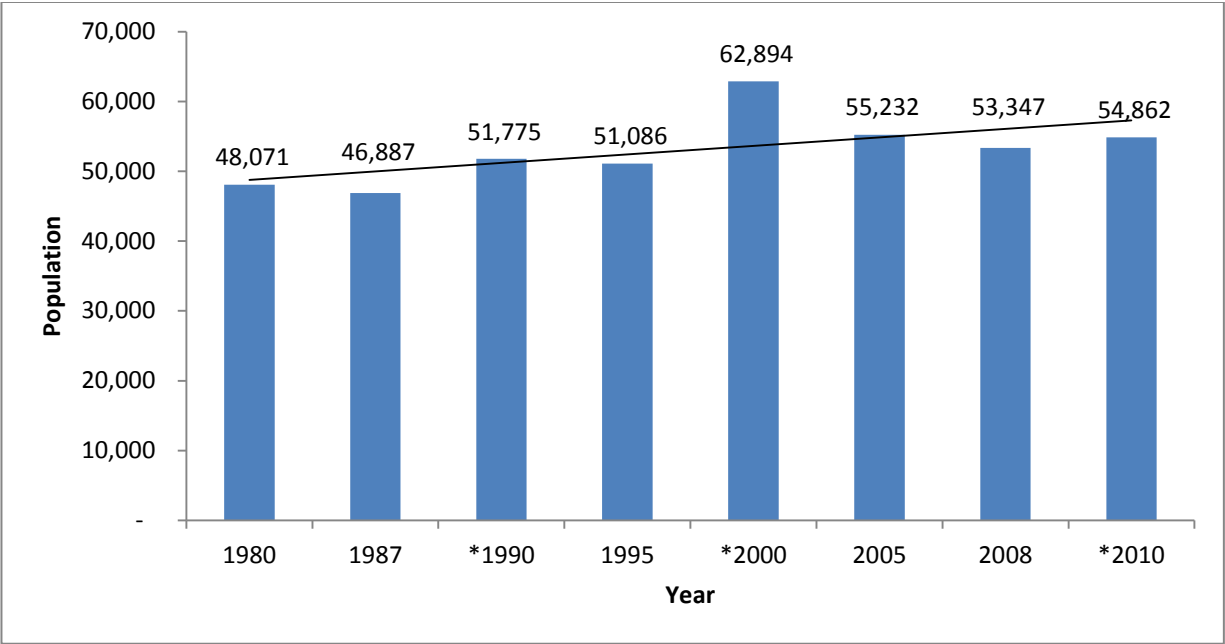
## **APPENDIX A – Socioeconomic Setting of the Lake Tahoe Region**

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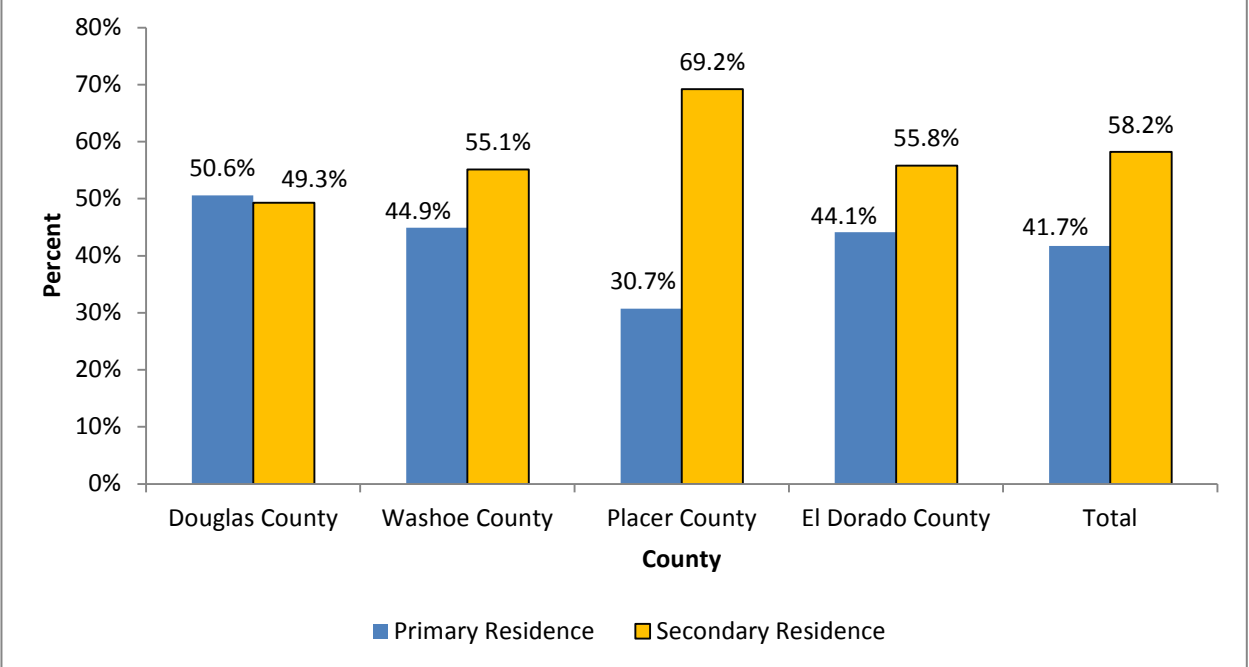
While the Threshold Evaluation focuses on specific environmental data, it is well understood that the environment is only a part of the setting for the total system in the Lake Tahoe Region. Often expressed as the concept of sustainability, this system consists of environmental, social, and economic concerns. For this reason, it is worth noting socioeconomic and demographic aspects of the Region to obtain a complete picture of the Basin's setting. In addition, in the Lake Tahoe Region more than in most areas, environmental considerations directly affect the other two spheres. People live and visit here in large part because of the stunning natural landscape and clear aesthetic quality of the Lake. Unique businesses are spawned to implement environmental considerations, for example water quality Best Management Practices (BMP) requirements, special design standards, environmental regulation assessments, and more. The broad array of environmental requirements also has an effect on the social and economic systems within the Region, for example on housing prices.

Figure A-1 shows the estimated population of the Region as tabulated by the 2010 U.S. Census and historical population estimates dating back to 1980. In interim years when Census information is not available, TRPA estimates population based on the number of residential allocations awarded by the respective counties and City of South Lake Tahoe. Over the next quarter-century, the population of the Lake Tahoe Region is expected to grow only modestly, rising from a current (2010) population of about 55,000 to approximately 58,000 by 2035 due to the continuation of growth control measures. These projections account for year-round residents and do not include temporary workers or those who own vacation and second homes in the Lake Tahoe Region. All Lake Tahoe jurisdictions have a relatively high percentage of housing that is used seasonally, as well as high rates of second-home ownership. Placer County is estimated to have the greatest percentage (69 percent) of second-home ownership (Figure A-2).

Based on information from the U.S. Census Bureau, the median income within the Tahoe Region has increased by 18.5 percent over the 1990-2000 period with the greatest increase in median incomes occurring in the Homewood and Central Incline Village area of the Tahoe Region (Table 1-1).



**Figure A-1.** Population estimates for the Lake Tahoe Region from 1980 to 2010. Source US Census data. Footnote: (\*) Census Enumeration



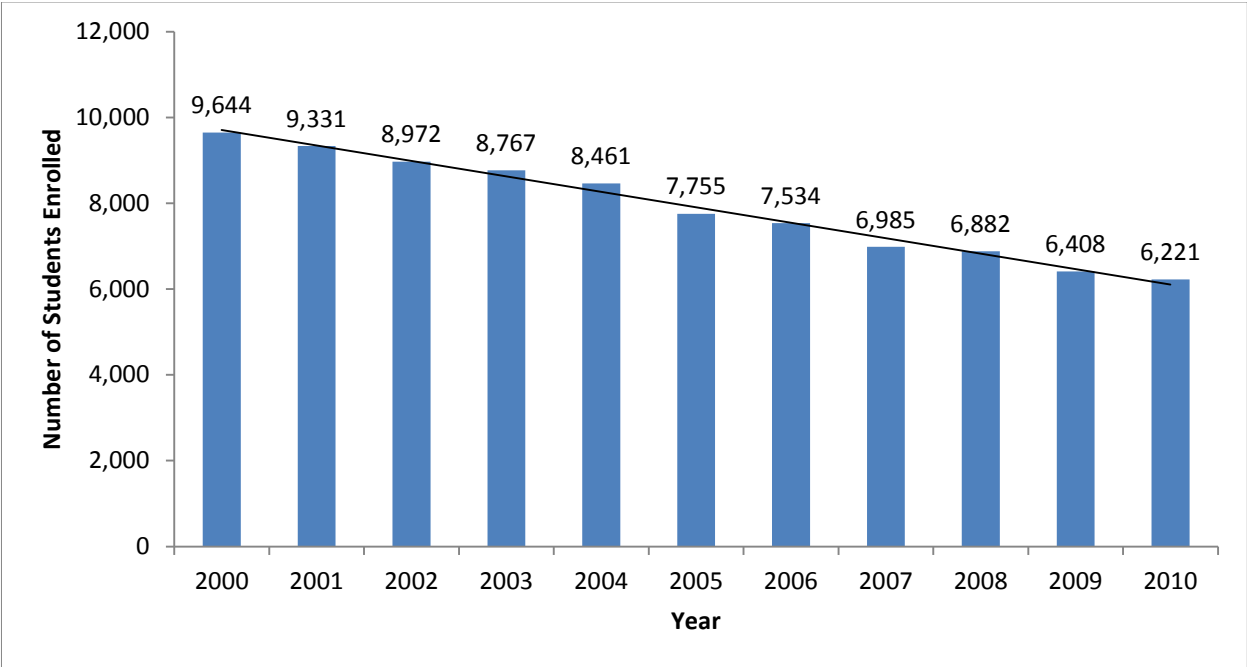
**Figure A-2.** Proportion of primary and secondary residences in the Lake Tahoe Region, 2010. Source: TRPA Parcel Database

**Table A-1.** *Estimated change in median income by area within the Lake Tahoe Region between 1990 and 2000.*  
*Source: U.S. Census.*

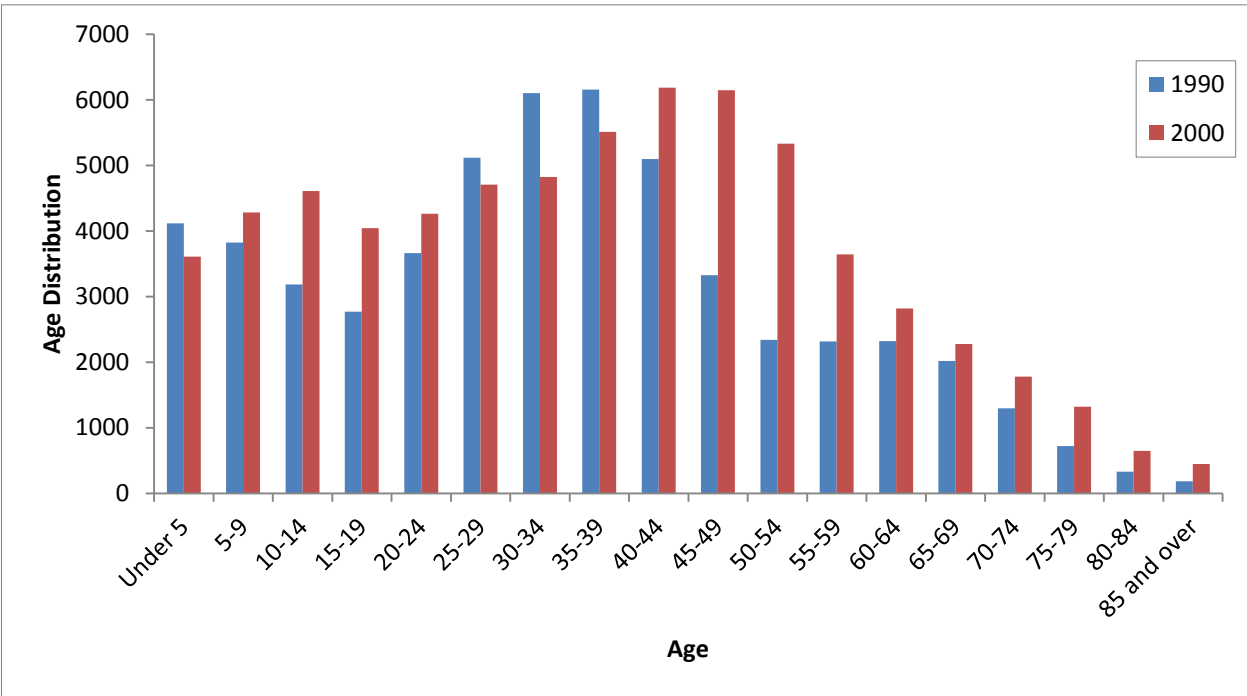
| <b>Area</b>                          | <b>2000</b> | <b>1990</b> | <b>Annual Change</b> |
|--------------------------------------|-------------|-------------|----------------------|
| City of South Lake                   | \$32,533    | \$30,935    | 5.16%                |
| Meyers/ Hope Valley/Luther Pass      | \$53,738    | \$47,462    | 13.22%               |
| Westside El Dorado                   | \$51,333    | \$42,205    | 21.63%               |
| Homewood                             | \$60,167    | \$26,891    | 123.74%              |
| Tahoe Pines/Sunnyside                | \$62,500    | \$49,337    | 26.68%               |
| Tahoe City                           | \$52,171    | \$45,105    | 15.66%               |
| Lake Forest/ Dollar Hill             | \$49,063    | \$46,726    | 5.00%                |
| Carnelian Bay                        | \$54,556    | \$53,959    | 1.11%                |
| Tahoe Vista                          | \$51,958    | \$39,343    | 32.06%               |
| Kings Beach/ Brockway                | \$32,992    | \$26,098    | 26.41%               |
| East Shore Douglas                   | \$49,352    | \$48,186    | 2.42%                |
| Kingsbury                            | \$59,837    | \$43,785    | 36.66%               |
| Central Incline Village              | \$56,176    | \$39,791    | 41.18%               |
| Crystal Bay/Outlying Incline Village | \$80,769    | \$61,938    | 30.40%               |
| Glen Brook                           | \$61,658    | \$55,601    | 10.89%               |
| Tahoe Basin                          | \$53,364    | \$45,218    | 18.01%               |

Declines in school enrollment in grades K-12 for the Lake Tahoe Region have occurred every year since 2000 (Figure A-3). As indicated, school enrollment in the Region has been reduced by an estimated 35 percent over the last decade, causing the closure of two elementary schools and one middle school. Additional information collected from the California Department of Education School Fiscal Services Program and the Nevada Department of Education, Child Nutrition, and Health estimates that the number of subsidized school lunches in the Tahoe Region has increased by eight percent from the reported estimates in FY 2005-2006, indicating an increased proportion of the population living below poverty level.

According to the U.S. Census Bureau, increases in the number of Tahoe year-round residents occurred among the age groups of 5-24 and 40-85 (Figure A-4). The increased populations between the ages of 40-85 are consistent with other regional age distributions and can be attributed to the aging “baby-boomer” generation. Decreases also occurred in the Region among individuals in the 25-39 age groups, possibly due to declining economic opportunity during the downturn of the past decade or so.



**Figure A-3.** Trend in school enrollment in the Lake Tahoe Region, 2000 to 2010. Source: Tahoe Region School Districts



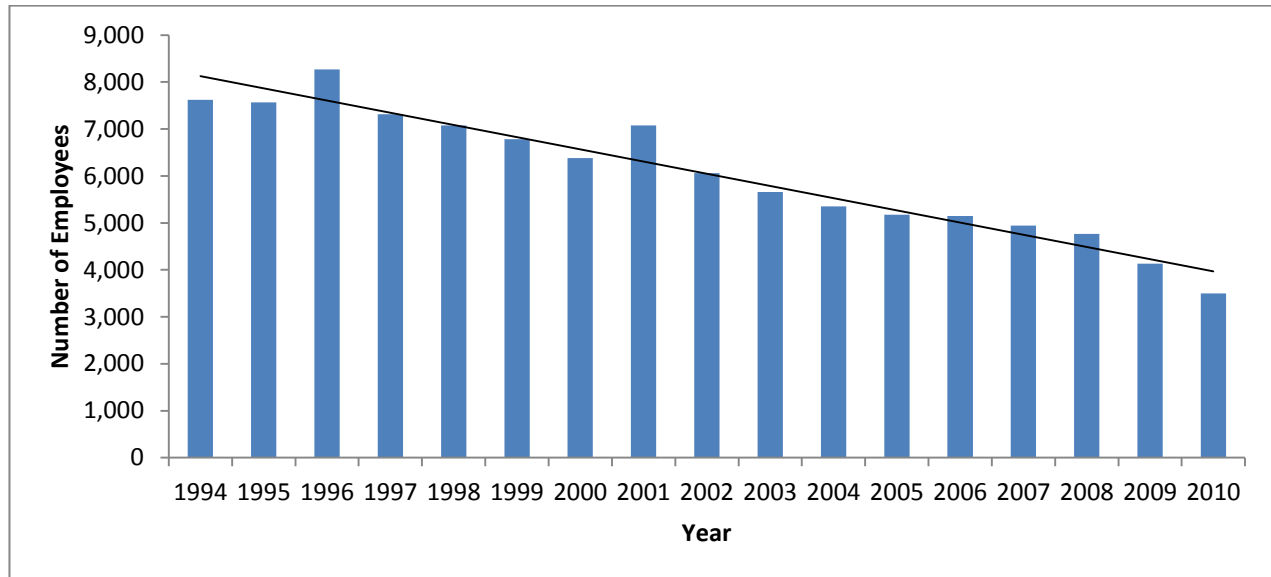
**Figure A-4.** Population age distribution of Lake Tahoe residences in 1990 and 2000. Source: US Census Bureau.

According to the U.S. Census Bureau, 60 percent of the Region’s business entities fall into four categories: Construction, Accommodation and Food Services, Retail Trade, and Professional, Scientific, and Technical Services (Table A-2). While the construction industry and accommodation and food services are the two largest categories, recent trends in the housing market and gaming industry have reduced the number of employment opportunities in these areas.

**Table A-2.** Number of business establishments by industry in the Lake Tahoe Region (U.S. Census Bureau 2010).

| Industry                                      | Number of Establishments |
|---|--------------------------|
| Construction                                  | 483                      |
| Accommodation & Food Services                 | 370                      |
| Retail Trade                                  | 367                      |
| Professional, Scientific & Technical Services | 348                      |
| Real Estate & Rental Leasing                  | 260                      |
| Other Services                                | 206                      |
| Health Care & Social Services                 | 195                      |
| Administrative Support                        | 159                      |
| Finance & Insurance                           | 142                      |
| Utilities                                     | 103                      |

Gaming employment in 2010 on the South Shore has declined by 4,117 employees since 1994 (Figure A-5) adding to the relatively high unemployment rates shown in Table A-3. Supplemental information maintained by the Nevada Gaming Control Board indicates that gaming revenues have declined by 24 percent over the past decade as California Indian gaming has matured into a viable competitor with Lake Tahoe Region gaming.



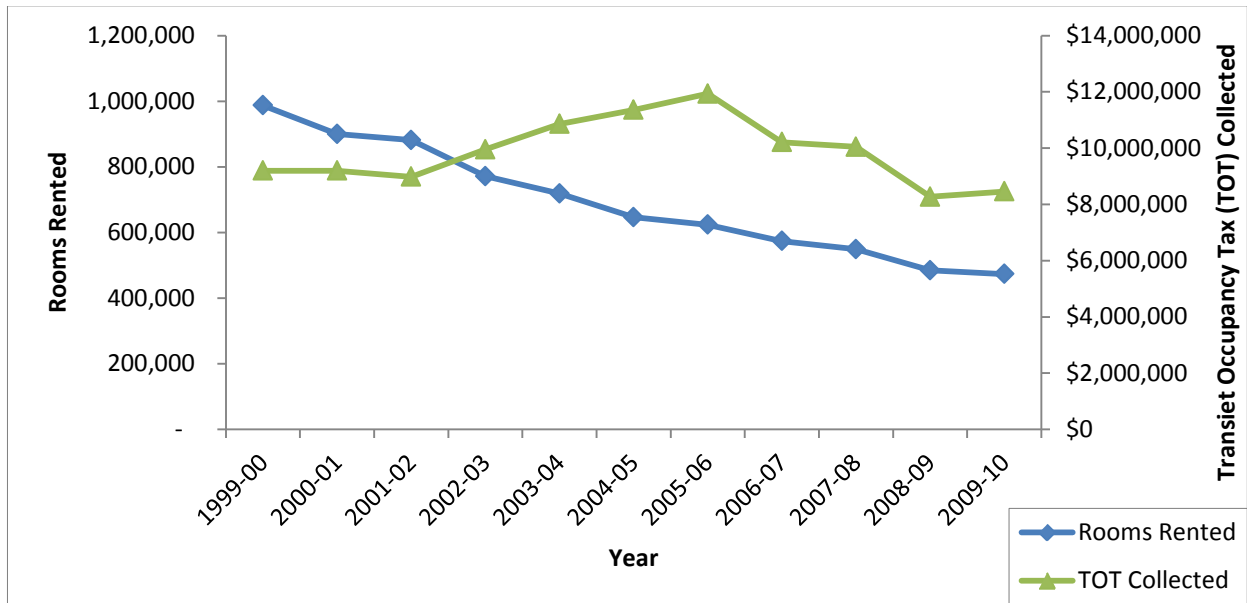
**Figure A-5.** Trend in gaming employment in the Lake Tahoe Region, 1994 to 2010. Source: Nevada Gaming Control Board

**Table A-3. 2010 Tahoe Region unemployment rate estimates**

| Jurisdictions             | Estimated Unemployment Rate |
|---------------------------|-----------------------------|
| <b>El Dorado County:</b>  | 12.6%                       |
| City of South Lake Tahoe  | 17.2%                       |
| <b>Placer County:</b>     | 11.6%                       |
| Dollar Point CDP*         | 15.4%                       |
| Kings Beach               | 12.9%                       |
| Sunnyside Tahoe City CDP* | 15.0%                       |
| Tahoe Vista CDP*          | 18.8%                       |
| <b>Carson City County</b> | 13.2%                       |
| <b>Douglas County</b>     | 15.0%                       |
| <b>Washoe County</b>      | 13.3%                       |

\*CDP = Census Designated Place; U.S. Census

Transient occupancy taxes (TOT) are the most direct means by which local governments can collect revenue from visitors. Temporary lodging facilities are showing an increase in the number of vacancies. However, TOT collections increased in FY 2002-03 when the Heavenly Gondola and the Marriot redevelopment were completed. During the same time frame, the number of rooms rented declined within the designated redevelopment area while the TOT increased indicating a higher per room rate. This difference indicates redevelopment has resulted in fewer visitors and still yielded a comparable tax income, and may result in an environmental benefit through reduced traffic volume.



**Figure A-6. Trend in transient occupancy tax in relation to number of hotels rooms rented in City of South Lake Tahoe. Source: City of South Lake Tahoe.**

In the face of these recent economic challenges, a collaborative group comprised of local and regional government representatives as well as institutional and business leaders was formed in 2010 to develop a Region-wide economic strategy. The action plan resulting from this collaboration, called the Lake Tahoe Basin Prosperity Plan, outlines strategies to create a more resilient economy that enhances the environmental quality of the Region and leads to an improved quality of life for all residents. The

Prosperity Plan is a sustainable economic development strategy based on targeting new economic markets for the Basin focused on environmental innovation, entrepreneurship, and sustainability. The strategies set out in the Prosperity Plan include the following action steps:

- **Environmental Innovation** – Commercialization of environmental research applications; establishing a business incubator and investment fund; and a coordinated Region-wide green business program
- **Tourism and Visitor Services** – New visitor itineraries focused on outdoor activities, natural amenities, environmental education and geo-tourism; rebranding the visitor experience to focus on environmental quality, health, and wellness and recreation opportunities; environmental redevelopment to improve the built environment
- **Health and Wellness** – Specialized centers of excellence including orthopedics and oncology; sports and fitness training, and wellness centers integrated with new visitor itineraries for fitness and recreation