

North Lake Tahoe Resort Association

TBID Zone 1 Committee Orientation

April 08, 2022



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TBID Zone 1 Member Orientation

- I. NLTRA Past – Present – Future**
- II. Organizational Structure**
- III. TBID Operations and Information**
- IV. Q4 Budget review**

I. NLTRA Past- Present - Future



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Early NLTRA 1995/96

- **North Lake Tahoe Tourism Marketing Plan adopted:**
 - NLT tourism business environment deteriorating
 - Goal - A sustainable tourism economy for the benefit of the community and visitors
- **Additional 2% TOT approved for infrastructure investment**
- **North Lake Tahoe Resort Association formed:**
 - Contract with Placer County to provide Marketing, Promotion, Visitor Services; plus recommend TOT 2% investments; voice of community

The background of the slide is a high-quality photograph of a natural landscape. It features a clear, vibrant turquoise lake that reflects the sky. In the foreground, there are large, smooth, grey rocks along the shoreline. To the right, the branches of evergreen trees with green needles are visible, extending over the water. The overall scene is bright and serene, suggesting a pristine natural environment.

NLTRA Mission

1995: Promote tourism and benefit business through efforts that enhance the economic, environmental, recreational and cultural climate of the North Lake Tahoe Area



Need for Funding

The Tourism Master Plan (updated 2009 & 2015) outlined a significant short fall in financial resources to accomplish plan

- TOT funds alone cannot fund needs**
- TOT only taxes lodging**
- Most promising funding -TBID that assesses all tourism related businesses**

The background of the slide is a scenic photograph of a lake with clear, turquoise water. In the foreground, there are large, smooth, grey rocks. On the right side, there are green evergreen trees with some bare branches. The sky is a pale, hazy blue. The text is overlaid on a semi-transparent white rectangular box in the center of the image.

North Lake Tahoe Tourism Business Improvement District

- **2021 Placer County approved the formation of the NLT TBID**
- **TBID will fund marketing, promotion, & visitor information formerly funded with TOT dollars, will also fund tourism mitigation, advocacy, sustainability and more**
- **Lodging, retail, F&B, activities businesses all assessed**
- **TBID dollars will be locally controlled (\$6million)**
- **TOT dollars “freed up” with TBID (\$4million) will be earmarked for housing, transportation & infrastructure with oversight of NLTRA – TOT Committee**



TOT Funding prior to TBID

Pre-TBID:

- **TOT total approximately \$21 million -Northeastern Placer County**
 - **TOT -\$12.75 million Tahoe Tourism & Promotion:**
 - **\$4.25 million CAP funding**
 - **\$4.5 million NLTRA Marketing, Promo, & Visitor Services**
 - **\$4.0 million Tahoe Services**
 - **TOT -\$8.5 million General Fund**

Addition of TBID Funding

Post-TBID:

- TOT \$12.75 million – Tahoe Tourism & Promotion
 - \$4.25 million CAP funding
 - **\$4.5 million Housing, Transportation & Infrastructure-TOT Committee**
 - \$4.0 million Tahoe Services
- TOT \$8.5 million –Placer County General Fund
- **TBID \$6.0 million – North Lake Tahoe TBID**

TBID vs TOT

Source of funds:

- **TBID – Assesses all businesses that benefit from tourism**
 - **Lodging, retail, food & beverage, activities & attractions**
- **TOT – Taxes Lodging businesses only**

Control of funds:

- **TBID – Local control – approved by NLTRA Board**
- **TOT – County control- Approved by Placer County BOS**

Year-to-year funding:

- **TBID will be actual receipts**
- **TOT to NLTRA had only CPI annual increase**

Chamber of Commerce:

- **TBID – TBID & Membership funding**
- **TOT – Membership funding only**



NLTRA Mission 2021-23

North Lake Tahoe Resort Association promotes and manages visitation and collaborates to achieve economic health, community vitality, and environmental sustainability to benefit our residents, businesses, and visitors.

NLTRA Transformational Change

Destination Marketing Organization



Destination Stewardship Organization

Tourism & Marketing First



Elevate the Experience of Lake Tahoe for All

Reliant on Placer County



Minimal County Funding/ TBID Funding Source

Supporting Role in Critical
Community Strategies and Solutions



A Community Force: Convener, Coordinator, Driver,
Influencer and Manager

Enhance the Regions Vibrancy



Leader and Innovator of Destination Strategies and
Solutions





NLTRA Stewardship Strategies

- Elevate the experience of Lake Tahoe for all
- Honor our region's history and local culture
- Ensure that our natural resources are cared for by visitors and residents
- Create opportunities that support a balance for business owners, workers, and residents
- Engage our partners in collaborations toward common outcomes

II. Organizational Structure



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The background of the slide is a scenic photograph of a lake. In the foreground, there are several large, smooth, grey rocks. The water is a deep, clear blue-green color. In the background, there are lush green trees, possibly evergreens, with their branches extending over the water. The sky is bright and slightly hazy.

NLTRA Organizational Structure

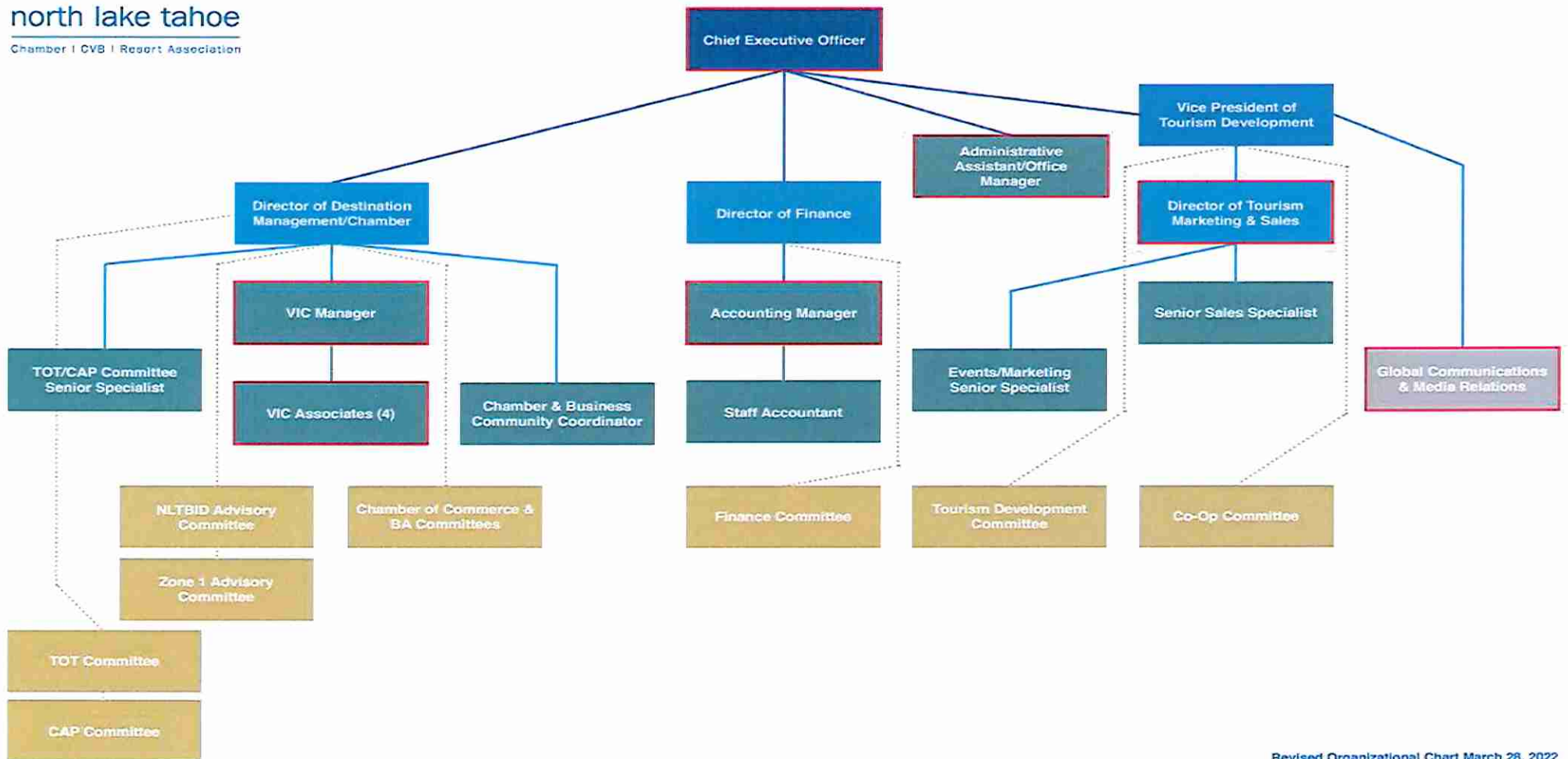
- A. NLTRA Organization
- B. NLTRA Board of Directors
- C. TBID Committees



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Chamber | CVB | Resort Association

NLTRA Organizational Structure



Revised Organizational Chart March 28, 2022

NLTRA Board Seats

Organization nominated (6 seats):

Palisades Tahoe

Northstar California

Homewood

Resort at Squaw Creek

Ritz Carlton Lake Tahoe

Placer County BOS

Specific representation (10):

North Shore Lodging/Prop Mgmt

West Shore Lodging/Prop Mgmt

Activity Business

Food & Beverage Business

Tahoe City Downtown Assoc

North Tahoe Business Assoc

Squaw Valley Business Assoc

Northstar Business Assoc

At-Large (2)

Note: All seats elected by the members

Committees Summary – Direct Report to NLTRA Board

Committee:	NLT TBID Advisory	NLT TBID Zone 1 Advisory	NLTRA TOT	CAP
Source of Funds:	<i>NLT TBID</i>	<i>NLT TBID</i>	<i>TOT (2.1%)</i>	<i>TOT (2%)</i>
Approx. Funding:	<i>\$6 million</i>	<i>\$880,000</i>	<i>\$4 million</i>	<i>\$4 million</i>
Governing Use of Funds:	<i>TBID Management District Plan</i>	<i>TBID Management District Plan Zone 1</i>	<i>Housing & Transportation Initiatives</i>	<i>Tourism Master Plan Implementation</i>
Recommends to:	<i>NLTRA Board</i>	<i>NLTRA Board</i>	<i>NLTRA Board</i>	<i>NLTRA/County CEO</i>
Final Approval:	<i>NLTRA Board</i>	<i>NLTRA Board</i>	<i>County BOS</i>	<i>County BOS</i>

The background of the slide is a scenic photograph of a lake. The water is a vibrant turquoise color, reflecting the sky. In the foreground, there are several large, smooth, grey rocks. On the right side, the branches of green evergreen trees hang over the water. The overall scene is bright and clear, suggesting a sunny day.

NLT TBID Governance

NLTRA is the NLT TBID Owners' Association charged with managing the funds and implementation of programs

- **NLT TBID Advisory Committee will advise the NLTRA Board on the implementation of the TBID Management District Plan**
- **Zone 1 Advisory Committee will recommend to the NLTRA Board the uses and implementation of Zone 1 specific funds**



NLT TBID Advisory Committee

To advise the NLTRA Board on the implementation of the TBID Management District Plan

- **TBID funded (1% assessment)**
- **7-9 members, with a majority being assessed businesses**
- **3 designated seats – Olympic Valley/Alpine Meadows region, Northstar region, TBID Zone 1 (Lakeside) region**
- **Use of funds defined in the NLT TBID Management District Plan**
- **Formed by the NLTRA Board**



NLT TBID Zone 1 Advisory Committee

Provides recommendations to the NLTRA Board on uses & implementation of Zone 1 Specific Services

- **Additional 1% Zone 1 lodging funded**
- **5-7 members**
- **Majority of members being assessed businesses in Zone 1**
- **Use of funds defined in the NLT TBID Management District Plan**

III. TBID Operations



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NLT TBID Services

NLT TBID is an assessment district providing specific benefits to payors by increasing business sales and improving business conditions by funding:

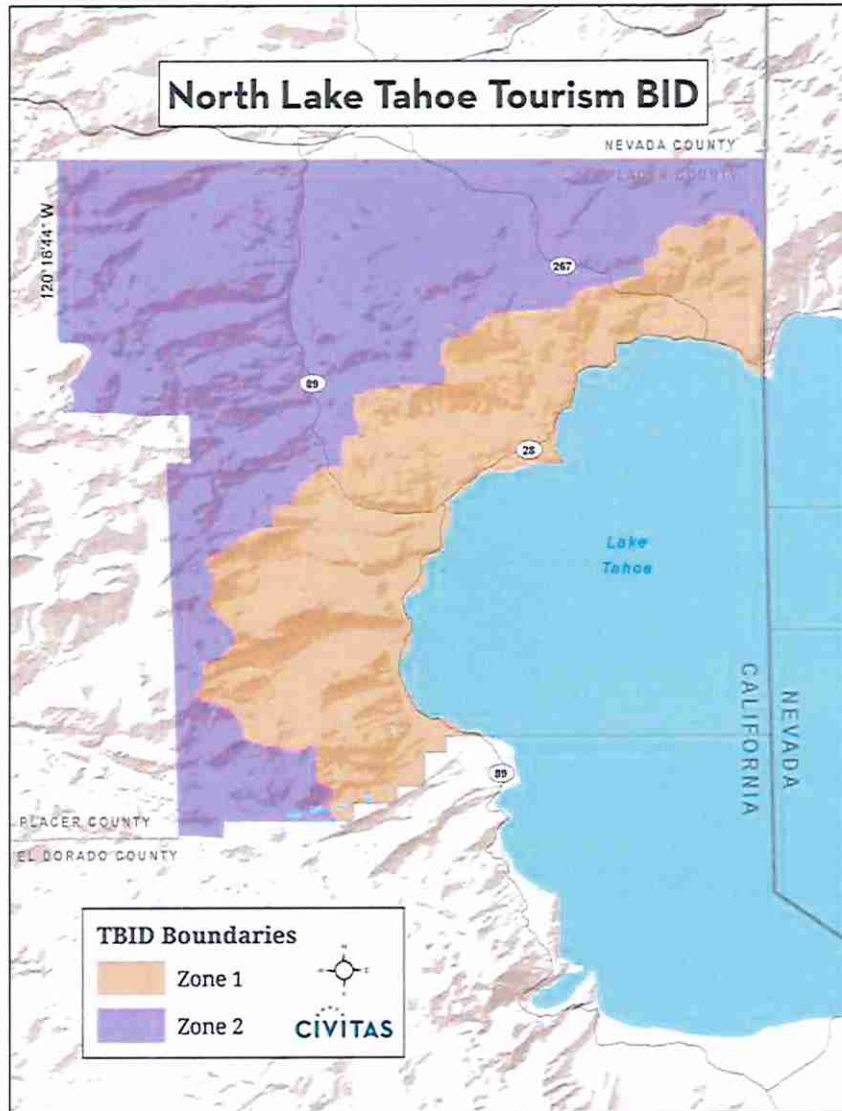
- **Marketing, promotions and special events**
- **Visitor services & visitor centers**
- **Sustainability and mitigation of tourism impacts**
- **Business support and advocacy**
- **Economic development & transportation**



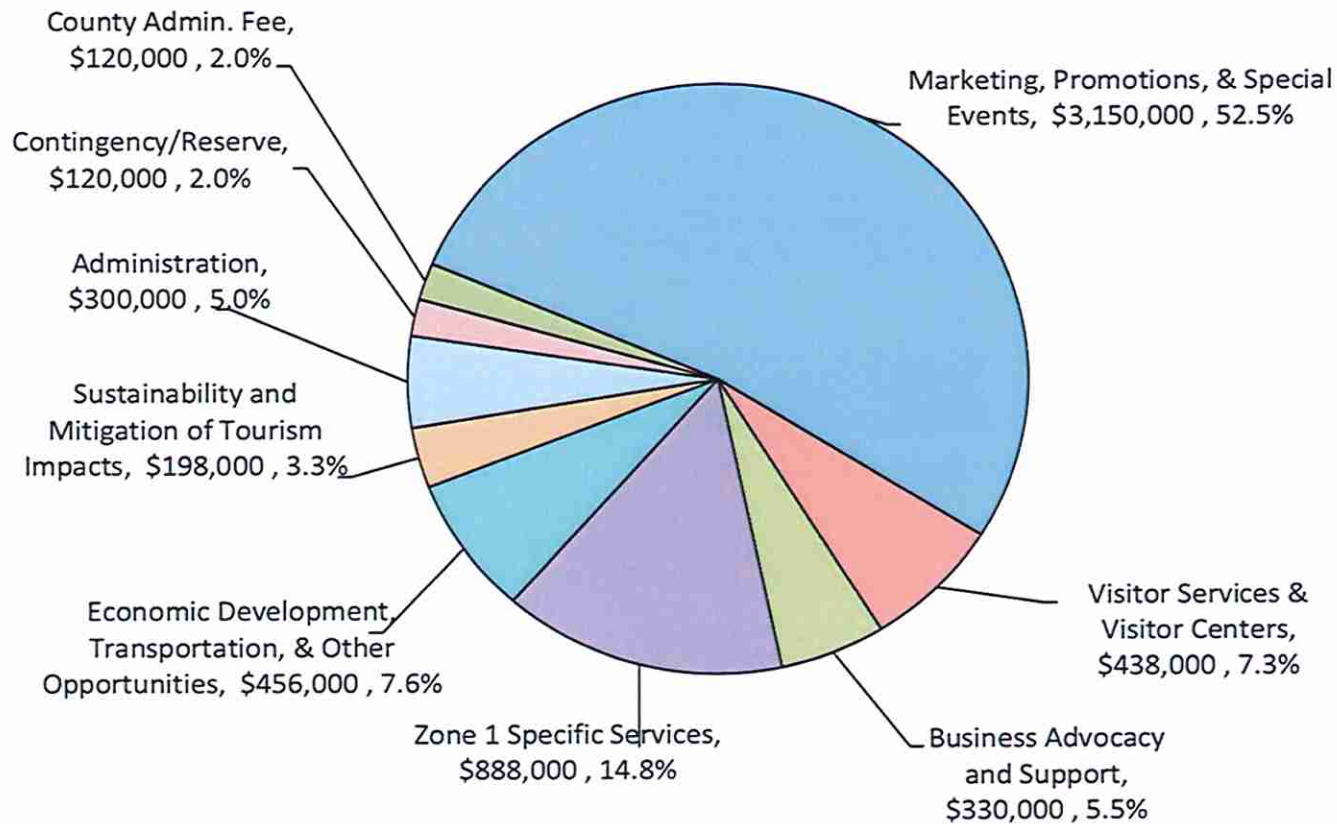
TBID Assessments

- **Assessed businesses include all lodging, restaurant, retail, activities and attractions businesses within the boundaries of the eastern portion of Placer County as mapped in MDP**
- **Lodging businesses in Zone 1 (Lakeside) will be assessed 2% of short-term rental (less than 30 days), Zone 2 lodging area assessed 1%**
- **Retail, restaurant, activities and attraction businesses assessed 1% of sales, if sales less than \$150,000/yr assessed flat rate**

North Lake Tahoe Tourism BID



North Lake Tahoe Tourism Business Improvement District Initial Annual Budget - \$6,000,000





Assessment Use by Category

- **Marketing, Promotions & Special Events –**
 - **Efforts to increase tourism, economic vitality and community stability for the assessed businesses with the NLT TBID**
 - **Special focus on mid-week and non-peak seasons**
 - **Tracking and analysis of results**
- **Zone 1 Specific Services**
 - **Zone 1 services and activities, including all service and activities outlined in other categories, to provide benefit to those lodging businesses in Zone 1**



Assessment Use by Category, cont'd

- **Visitor Services & Visitor Centers –**
 - **Strengthen the visitor experience while in North Lake Tahoe**
 - **Ensure visitor access to information on assessed businesses**
 - **Services could include special events & activities**
 - **Track & analyze information on visitor demographics & interests**



Assessment Use by Category, cont'd

- **Business Support & Advocacy –**
 - **Strengthen the local economy by:**
 - **Gathering & analyzing economic data**
 - **Providing information on opportunities & resources**
 - **Supporting new business development**
 - **Advocating on behalf of assessed businesses**
 - **Programs could include advocacy for workforce housing & business supportive policies with government agencies**



Assessment Use by Category, cont'd

- **Economic Development, Transportation, & Other Opportunities –**
 - To improve the visitor experience, improve economic vitality, and to improve the labor market for assessed businesses
 - Programs could include transportation/transit programs, traffic mitigation, and tourism infrastructure
- **Sustainability and Mitigation of Tourism Impacts –**
 - Financial support to offset impacts of tourist visitation
 - Programs could include additional trash collection, dog waste stations, erosion control, pedestrian crossing management, additional snow removal, bike racks



Assessment Use by Category, cont'd

- **Administration –**
 - **Administrative staffing, office costs, policy development and other general administrative costs**
- **County Administration Fee-**
 - **Fee to cover County of Placer costs of collection and administration.**
 - **Shall not exceed the actual costs to the County to administer collection of the assessment**

Assessment Use by Category, cont'd

- **Contingency/Reserve-**
 - **To account for uncollected assessments**
 - **May be held for current or future years, or utilized for other program, administration or renewal costs**

IV. NLT TBID 2021/22 Quarter 4 Budget



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Q4 Budget

- **Budgeted / Forecasted Collection of TBID Assessment**
 - MDP assumes approximately \$6 million in annual assessments
 - 2021/22 did not assess reservations made prior to July 1, 2021
 - Budgeted for \$4.7 million in assessments in FY 2021/22
 - Anticipated assessments of \$5.25 million for FY 2021/22
- Budgeted expenditures were \$1.28 million, reforecast indicates closer to \$1.01 million



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TBID Assessment Cash Flow

- Assessments collected by businesses during the quarter
- Assessments submitted to the County in the month following the quarter, and into the following month (some businesses do pay monthly)
- NLTRA receives funds the month following receipt by County (1 ½ to 2 months following end of quarter)



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Marketing, Promotions, & Special Events

- **Continues Marketing & Conference Sales similar to County agreement**
- **Expenditures based on reforecast total \$531,000**
 - **Marketing Coop contributions (\$321,000)**
 - **Payroll & Related (\$57,000)**
 - **Non-coop Marketing (\$71,000)**
 - **Overhead/Miscellaneous (\$82,000)**



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Visitor Services & Visitor Centers

- Fills role of Visitor Information Center similar to County agreement
- Retail revenues net of Cost of Goods Sold \$12,000
- Expenditures based on reforecast total \$74,000
 - Payroll & related (\$32,000)
 - Overhead/Miscellaneous (\$40,000)
 - Additional opportunities (\$15,000)



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Business Advocacy & Support

- **Fills role of the Chamber**
 - Self-funded prior to TBID (no TOT dollars spent on Chamber)
- **Membership Revenues of \$25,000 (in addition to TBID)**
 - Non-TBID Membership Dues
 - Membership Activities
- **Expenditures based on reforecast total \$73,000**
 - Payroll & related (\$3,000)
 - Overhead/Miscellaneous (\$12,000)
 - Additional opportunities (\$58,000)



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Zone 1 Specific Services

- Funding comprised of additional 1% assessment on lodging businesses within Zone 1 boundary
- Expenditures based on reforecast total \$150,000
 - Overhead (\$15,000)
 - Additional opportunities (\$135,000)



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Economic Development, Transportation, & Other Opportunities

- Expenditures based on reforecast total \$77,000
 - Overhead (\$7,000)
 - Additional opportunities (\$69,000)



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Sustainability & Mitigation of Tourism Impacts

- Expenditures based on reforecast total \$33,000
 - Overhead (\$3,000)
 - Additional opportunities (\$30,000)



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Administration

- Expenditures based on reforecast total \$51,000
 - Expenditures consist of administrative overhead
 - Additional admin overhead is allocated among the remaining budget categories based on actual expenditures



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County Admin Fee

- Expenditures based on reforecast total \$56,000
 - Allocated funds total \$20,000.
 - Additional expenditures in first year will require use of Contingency funds as well as a budget adjustment.



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Contingency/Reserve

- Available funds based on reforecast total \$20,000
 - Will need to be put towards County Admin Fees



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TBID Budget Summary Fiscal Year 2021/22 Q4

Budget		Reforecast	Known expenditures	Available funds
1,279,000	Total	1,011,000	719,325	291,675
672,000	Marketing	531,000	531,000	-
93,000	Visitor Center & Services	74,000	59,000	15,000
97,000	Economic Devel, Trans, +	77,000	8,000	69,000
42,000	Sustainability, Mitigation of Tourism Impact	33,000	3,000	30,000
70,000	Business Advocacy & Support	55,000	(3,675)	58,675
189,000	Zone 1	150,000	15,000	135,000
64,000	Admin	51,000	51,000	-
26,000	County Admin	20,000	-	(36,000)
26,000	Contingency	20,000		20,000
	15% allowed adjustment	151,650		

Additional NLT TBID information

- Initial 5-year term, will need to go to ballot for renewal in 2026
- Is not a property-based assessment (Prop 218)
- Business based assessment subject to Prop 26 – Specific Benefit
 - “A specific benefit conferred, or privilege granted directly to the payor that is not provided to those not charged”
 - Costs do not exceed reasonable costs to provide the benefit or service



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Thank you