

LAKE TAHOE BASIN PROSPERITY PLAN EXECUTIVE SUMMARY



Fostering Regional Economic Prosperity

The Cycle of Long Term Decline – Our Future?

Lake Tahoe is an iconic national treasure. The Lake Tahoe Basin is also an economic region of national and state significance, estimated to produce \$4.7 billion in revenues per year. Long considered a premier destination, Lake Tahoe has suffered both environmental degradation and economic decline.

The Basin's economic decline began long before the current recession. The gaming industry has lost 7000 jobs since 1990. Unemployment is 15-17 percent. Poverty levels have increased dramatically. Along with job loss, second home ownership (68%) has pushed the cost of housing beyond the reach of most full time residents, resulting in population decline of 15 percent between 2000 and 2008.

The systemic inability of businesses to invest in property improvements contributes to increased run-off and deterioration from aging infrastructure and properties, including visual and functional blight. This cycle further erodes the viability of the Basin as a world class tourism destination.

A New Vision for the Basin – Our Desired Future

The Lake Tahoe Basin Prosperity Plan (LTBPP) sets forth a new vision for both the economic and environmental health and renewal of the region.

The Lake Tahoe Basin is a world class center of innovation around green tourism, green building and sustainable design, scientific research and applications for environmental resource renewal and management, renewable energies, and health and wellness. "It is the sustainability powerhouse of the nation."

This vision transforms the region as an environmental innovation center, with sustainable business practices that promote the economic advancement (prosperity) of families and communities in concert with enhanced stewardship of the natural environment.

The Power of Economic Clusters

The way forward requires a new level of collaboration between private and public sector partners and the entire community in a shared agenda for action. The Prosperity Plan is based on three major economic clusters which represent two-thirds of the Basin's economy: Tourism and Visitor Services, Environmental Innovation, and Health and Wellness.

A Plan for Action

The Prosperity Plan is a comprehensive action strategy to reposition the Basin as an environmentally sustainable destination and test bed for environmental innovation. It is built upon the intellectual talents, commitment, and creativity of Tahoe residents and stewards of the Basin. Cluster specific and basin-wide highlights include:

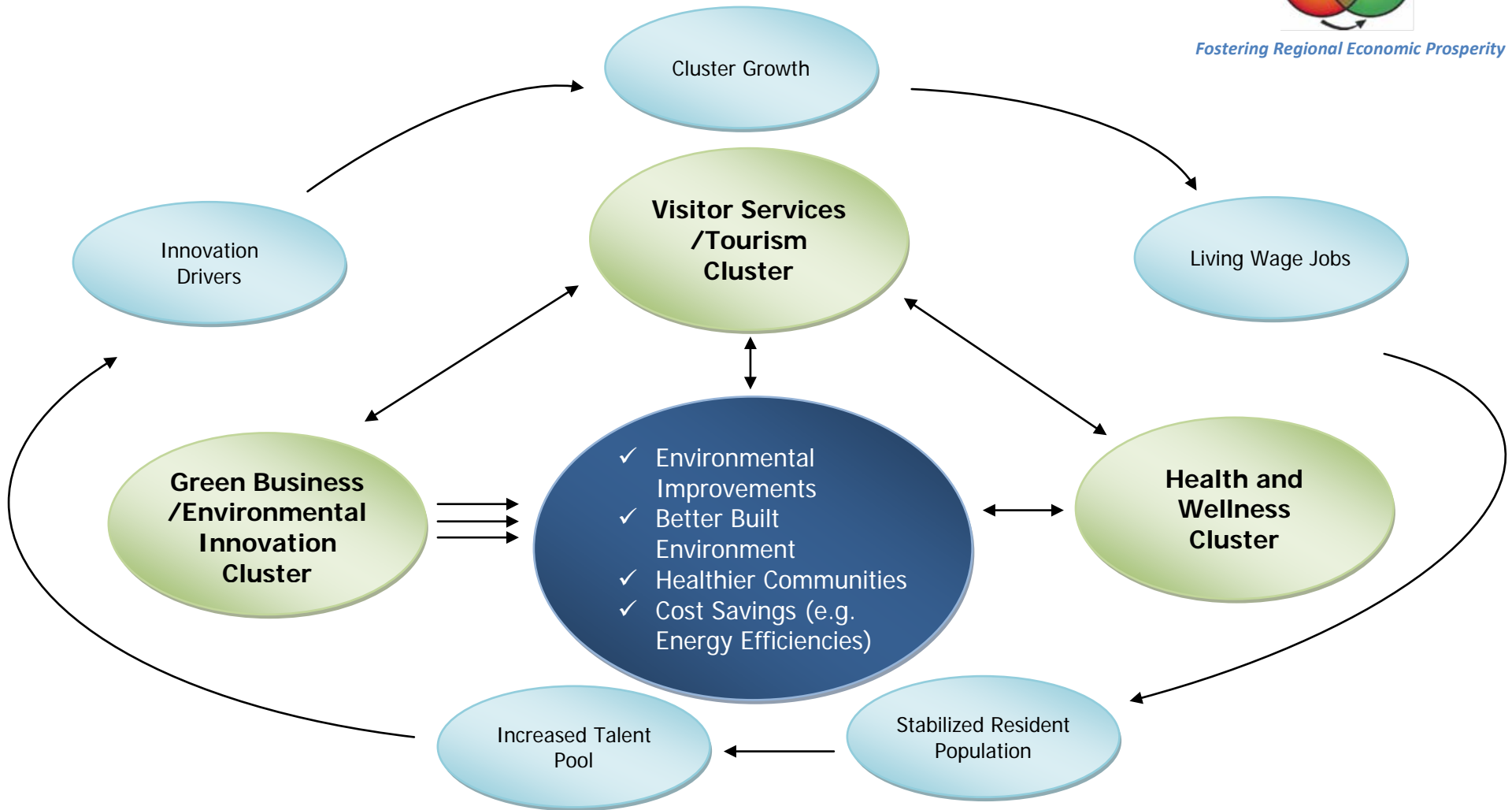
- **Alpine Climate Change Research Center, Environmental Technology Incubator and Signature Visitor Services Facility** - To generate research resources; prototype, fund, and export commercially practical solutions for the Basin's environmental challenges and elsewhere; sponsor green entrepreneurship programs affiliated with the region's universities and colleges; and provide visitors hands-on learning experiences.
- **The Tahoe Brand** – To rebrand the region as a green, geotourism, health and wellness visitor destination, providing a unique, authentic Lake Tahoe experience including sports, recreation, culinary, historical, art, cultural experiences, environmental education and volunteer opportunities.
- **Medical Centers of Excellence** – To promote specialties such as orthopedics, sports medicine, fitness training, oncology, healthy lifestyles; medical tourism framed by the alpine environment, expertise of local medical centers, complementary wellness services, and visitor service assets.
- **Sports Commission** – To attract major sporting events such as the Amgen Bike Tour, World Cup skiing, philanthropic sporting events and tournaments; to foster Tahoe as a major center for sports and high altitude training venues for athletes.
- **Environmental Redevelopment** – To achieve sustainable redevelopment of deteriorating properties and infrastructure, promoting green building, resource efficient development, and environmental restoration. Leverage reinvestment through a Basin Infrastructure Bank.
- **Regional broadband strategy** – To facilitate telemedicine, e-commerce, improved visitor experiences and other needs for a “Connected Tahoe Basin.”
- **Basin-Wide Housing Affordability, Education and Workforce and Transportation Strategies** – To support the vitality of the clusters and promote community livability and sustainability.
- **Prosperity Center** (TahoeProsperity.org) - To support the implementation of Cluster and Basin-wide initiatives, leverage resources, and be a unified “voice” for the region's economic future.

Lake Tahoe Basin Prosperity Plan: Cluster Path for a Sustainable Economy

Vision: Be an Environmental Business Powerhouse and World Sustainability Leader*



Fostering Regional Economic Prosperity



Education/Workforce	Advanced Infrastructure / Broadband	Environment	Capital	Regulatory and Tax Climate	Quality of Life
Regional Economic Foundations					

*Thank you to Lake Tahoe South Shore Chamber of Commerce Green Business Coop

Lake Tahoe Basin Prosperity Plan



What is the Lake Tahoe Basin Prosperity Plan?

Fostering Regional Economic Prosperity

The Lake Tahoe Basin Prosperity Plan (LTBPP) is an unprecedented regional collaboration effort to develop a Basin-wide economic prosperity strategy, which currently does not exist. The region includes all land that sheds water into the Lake Tahoe Basin in California and Nevada. The LTBPP will result in an action plan to create a more resilient economy that enhances environmental quality and ensures an improved standard of living for all residents. The Plan will provide a framework for a competitive regional strategy that recognizes local differences, leverages the distinct attributes of all communities throughout the Basin, and enables local governments, institutions, and businesses to work as partners in revitalizing the Basin economy.

What is the Focus of the LTBPP?

The LTBPP will analyze existing and emerging economic clusters and identify strategic actions to diversify the Basin economy, facilitate the growth of locally grown businesses/entrepreneurs, and create well-paying jobs building on the region's unique assets.



What are "Economic Clusters"?

Economic clusters are the foundation for creating economic competitive advantage within a region. They are geographic concentrations of firms that share common markets, buyers, suppliers and specialized talent; they include firms that create wealth by exporting their products or services or import wealth by drawing customers to the region, as well as firms that supply goods and services to these exporters and importers. Regional cluster-based strategies are shown to result in improved economic performance of businesses and improved job quality vital to long-term sustainability. The role of the public sector is to support the growth and success of the clusters through investments in education, workforce skills, research and technology, infrastructure, and regulation.

What are the Clusters in the Tahoe Basin?

Current clusters in the Tahoe Basin include health care; research and science related to lake, watershed and natural resources management and restoration; and tourism, hospitality and recreation. These clusters are evolving new opportunities in areas such as telemedicine, wellness and Geotourism. Emerging clusters could include renewable energies, environmental technologies, green building, and international research for outdoor apparel and recreational equipment.

Why was the Project Developed?

While Lake Tahoe is an unparalleled asset that provides a special quality of life for residents, visitors and business owners, the region's economy is threatened by environmental challenges and economic restructuring at the global, national, and state levels. The Basin economy also suffers from high rates of unemployment and seasonal employment, income disparities, workforce skills gaps, "brain drain" of talent from a lack of quality jobs, an aging built environment, and infrastructure deficiencies typical of many rural regions. With the Basin covering two states, developing a cohesive regional economic strategy poses an additional challenge. These circumstances called for a new approach to revitalizing the Basin's economy.

Lake Tahoe Basin Prosperity Plan

Who is Involved?

In 2007 the Lake Tahoe South Shore Chamber of Commerce (LTSSCC) convened representatives from the Basin to discuss the region's economic challenges and consider strategies to strengthen the Basin economy. The LTSSCC was joined by the North Lake Tahoe Chamber of Commerce to enlist additional Basin partners. Due to their leadership, the Western Nevada Development District (WNDD) was awarded a grant from the U.S. Department of Commerce Economic Development Administration (EDA), with matching funds provided by all six of the Basin local governments. It is a significant achievement to secure funding for a bi-state regional economic strategy.

These partners are working together as the **Project Steering Committee** to diversify the Basin regional economy, support home grown businesses, and bring good jobs to their communities:



- Carson City, Nevada
- City of South Lake Tahoe, California
- Douglas County, Nevada
- El Dorado County, California
- Lake Tahoe Community College
- Lake Tahoe School
- Lake Tahoe South Shore Chamber of Commerce
- North Lake Tahoe Chamber of Commerce
- Placer County, California
- Tahoe Regional Planning Agency
- Washoe County, Nevada
- Western Nevada Development District

What are the Expected Outcomes of the LTBP?

- Create an action-oriented regional economic strategy that aligns and leverages the resources of partners and stakeholders throughout the Basin. Targeted actions should lead to improved growth and performance of key economic clusters, resulting in growth of local business, support for emerging entrepreneurs, and creation of living wage jobs for communities throughout the Basin.
- Help serve as the basis for a regional and comprehensive economic development strategy, enabling eligibility for EDA project implementation funds.
- Position the region to be competitive for diverse funding sources that require regional partnerships and collaborative economic strategies, especially those emphasizing opportunities to capitalize on the emerging green economy and targeted clusters.

What is the Project Timeline?

The Project was initiated in January 2010 and will complete the recommended implementation strategy in September 2010. The Steering Committee will work with economic cluster representatives and support organizations during the spring to develop a draft implementation strategy that will be available for public review during the summer. The Committee is being assisted by project consultants Applied Development Economics, Inc. (ADE) and the Center for Economic Development, CSU Chico, with support from the University Center for Economic Development, University of Nevada, Reno.

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