

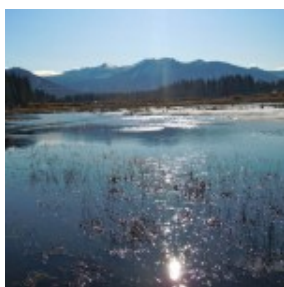
Funding, details of S. Shore economic study come to light

By Kathryn Reed

While spending \$10,000 to help fund the economic impact analysis of the South Shore Vision is on Tuesday's City Council agenda, City Attorney Patrick Enright told *Lake Tahoe News* he wants to delay the vote.

This is because no person or entity is stated on the agenda or the staff report in regards to who would receive the check. That's assuming the council votes to be part of the study and wants a check written. A vote could be taken to not fund the project.

Douglas County and Lake Tahoe Visitors Authority have each put in \$10,000 and the South Tahoe Association of Resorts is contributing \$5,000.



South Shore visionaries want to change the economic tide.

Photo/Kathryn Reed

The South Shore Vision Plan is an idea between public-private alliances to revamp Highway 50 from Ski Run Boulevard in South

Lake Tahoe to Kahle Drive in Stateline. STAR paid \$50,000 for Design Workshop to put together a plan.

The next step is the economic impact analysis that is estimated to cost no more than \$35,000.

LTVA's board voted Nov. 10 to approve allocating its share, with Tom Davis, South Lake Tahoe's rep to the board, abstaining. His issue was with how the item was agendaized and that there was no staff report.

Neither board members nor the public would have known money was to be spent that day. In fact, the website as of Nov. 13 only had the Oct. 13 agenda listed.

LTVA board members in an unprofessional, childish banter said things like: "I don't even know what the Brown Act is." "We've always done it this way." "We've never had a staff report accompanying a request for funds." "We need legal advice."

The public-private, bi-state nature of the board makes things dicey. But it's not the only board that operates this way. The bankrupt-defunct South Tahoe Area Transit Authority was comprised of similar type representatives. TRPA as a bi-state agency goes by Nevada's open meeting laws because they are more restrictive. It helps that TRPA's executive director is a lawyer so she knows the law.

But LTVA hasn't addressed the issue as to which opening meeting laws it should abide by and is essentially operating in a void. No one on the LTVA board is an attorney and no legal counsel goes to the meetings. The board blatantly violated the Brown Act, California's open meeting law, at the Oct. 13 meeting.

LTVA was founded in 1986 by a joint powers agreement between South Lake Tahoe and Douglas County and operates as an independent 501(c)6.

After last week's meeting it was left that LTVA Executive Director Carol Chaplin would call their attorney for advice. Davis said he would talk to Enright. Enright told *Lake Tahoe News* he would be calling Chaplin this week.

Nancy McDermid, a Douglas County commissioner and LTVA board member, after last week's tourism board meeting said it was fine for the county to award the money to individuals.

Enright won't let the city do that based on legal grounds. He said he'd prefer the check go to LTVA.

The City Council's agenda line items don't always say a dollar amount, but the staff report will explain what the full action is. It's like knowing the consequences to ones vote.

That isn't the case with LTVA agendas.

New Business G on the Nov. 15 council agenda says: (g) Discussion and Possible Direction/Action Regarding Follow-up from the Joint Meeting of the City Council/Douglas County Board of Commissioners held on Friday, November 4, 2011 at Edgewood Tahoe. It is accompanied by the staff report. All of this is easily accessible by the public.

This compares to the LTVA's website which only lists an old agenda, no staff reports and no minutes from previous meetings.

The economic study

Mike Bradford, with Lakeside Inn and Casino, has been leading the project that started with Douglas County wanting a vision for the casino corridor/Lower Kingsbury Grade area. It has evolved from there.

Bradford said it was through the county's Economic Vitality Department that a request for proposal was put out to find someone to do the economic study.

A firm out of Las Vegas, one from Denver and SMG from South Lake Tahoe sent in their bids.

Bradford and Mitchell Mize, director of real estate for Edgewood Tahoe, are the two who reviewed the three bids. They alone picked Carl Ribaudo with SMG to do the study.

(Lynda Ribaudo, wife of Carl, is CFO for Edgewood Companies.)

Bradford, after he made his presentation to LTVA, told *Lake Tahoe News* the reason he and Mize picked SMG is that the "others were static projections with no ability to adjust the model."

Ribaudo also spoke to the LTVA board. He said he came up with the study idea through years of work with real estate modeling.

He said the time consuming part will be getting the necessary information together to form a baseline model. Within the larger South Shore Vision study will be specifics that would apply directly to LTVA – the Destination Decision Model.

Knowing the number of rooms on the South Shore, then dividing visitors into potential categories like Bay Area, Southern California, out of state, international and knowing the percentage of each group that makes up the total; and putting in dollar amounts for what each group spends on a variety of elements from lodging to restaurants to food in stores to gaming to recreation will reveal the economic impact of the guests, along with the number of people employed to service them, the income of the those workers and the taxes that are generated.

With the SMG model, once the baseline is established, it becomes a "what if?" situation. What if guests increased their length of stay? What if they spent more money? What if occupancy increased? What if the visitor mix changed?

It's that product that Ribaudó and company is bringing to the table. He said no destination this size is doing this type of economic forecasting.

Bradford, after the meeting, said, "I think on a micro level it happens all over the place, it's not happening on a macro level."

In other words, individual businesses have their own way to budget and plan; but the region is not doing it collectively.

Through SMG's plan the LTVA will also be able to track its marketing dollars better and see if there is a return on investment.

The benefits to this plan were outlined in a PowerPoint:

- Understand the economic implications of marketing strategies
- Create community cohesion with a unified economic goal
- Facilitates more creative thinking on how to achieve economic goals
- Ties the reason for tourism promotion to the end results of tourism promotion
- (Ability to) consider alternative strategies
- Manage your segments by revenue stream with different investment strategies.