

# Busy Tahoe summer equates to big money



The Beacon restaurant at Camp Richardson is party central for much of the summer. Photos/Susan Wood

**By Susan Wood**

You weren't seeing a mirage this summer.

The vehicle backups on Lake Tahoe roads were not caused so much by heavy road construction, but by travelers who were frequenting the tourist destination in large numbers this summer. And according to tourism officials and stakeholders, there are multiple reasons they were coming to the mountains.

Some may think tearing up the infrastructure would deter tourists because fewer lanes mean slower traffic, thus delaying the fun. But in the case of the Lake Tahoe Visitors

Authority's marketing efforts, it brings people in because travelers welcome an improved South Shore when they consider a destination for their vacations.

"Our focus has been renovations, and redevelopment projects are under way. In our market, word has gotten out about Tahoe's improvement projects, and that's powerful in the media," LTVA Executive Director Carol Chaplin told *Lake Tahoe News*. "Definitely we think visitation is up. There are a lot of factors, but I haven't talked to anyone who isn't pleased – how much so depends on who you talk to."

Chaplin estimated a 15 to 20 percent leap in lodging and restaurant receipts compared to 2014. The summer campaign increased LTVA's website visits by 240 percent. In July alone, the LTVA reported 45,000 visits a week.

And an even more welcome sign: Hotel booking windows are longer in terms of advance notice and length of stay. This means more mid-week business – something all tourism-related businesses strive for.

Attributable factors vary, but one the LTVA has kept its eye on is its inaugural promotion to the San Diego market. This requires getting in the head of the average vacationer. The San Francisco Bay Area market will always be a cash cow for Lake Tahoe, but San Diego is whole new terrain. It takes more than three times the drive time to get here, or it requires paying for airfare. It's simple math – the bigger the investment, the longer the investment in time staying here.

A market area split by a drive or fly option has been lucrative at first glance.

"We're hitting the sweet spot on that," Chaplin said.

And beyond gas prices being down, the events seem to fuel the interest. Recreation-oriented – including the adventurous, extreme kind – have been popping up like spring wildflowers. An old favorite golf event – the American Century Championship

– celebrated its best attendance ever at 41,800.

“Generally speaking, travel is up and international travel is up,” she added.

All over the West, the trend for more traveling has increased.



Getting a parking spot at one of the beaches was tough at times. Photo/Susan Wood

### **People are on the move**

Summer lodging occupancy is up 8 percent, with revenue rising 14 percent May through October, according to Denver-based DestiMetrics. The travel data research firm collects data from 19 western mountain destination resorts in six Western states.

“The robust numbers this month not only illustrate strength in both occupancy and rates but successful and sustained growth in summer business for mountain communities,” company Director Ralf Garrison said in a statement. “It’s pretty clear that mountain travel, as a whole, is strong and resilient despite weather challenges including everything from drought to excessive rainy patterns that have been experienced in different regions this summer.”

In California, the State Parks system has seen an overall estimated increase of up to 10 percent this summer. Some venues such as Donner State Park have enjoyed at least a 30 percent increase in visitors, with Emerald Bay leading the way at a 40 percent leap in receipts this year compared to the previous one. State Parks get revenue from parking, visitor centers and campground bookings.

“This is one of the busiest summers some of our rangers have ever seen,” parks spokesman Scott Elliott said.

One of the biggest reasons for the push to travel is pent up demand. Tourists who may have been still stinging from the recession along with a lingering, slow-to-recover job market are fed up with waiting to travel.

### **North Shore looking good**

“As a destination, we’re running 75 percent occupancy – and that’s doing great,” North Lake Tahoe Resort Association spokesman J.T. Thompson told *Lake Tahoe News*.

Thompson indicated the North Shore is up 20 percent in pre-bookings – another notable positive trend. Pre-bookings translate to reservations made up to six months in advance. Those are usually reflective of more mid-week business, coinciding with South Shore trends.

“We know we’re going to get the Bay Area, but we’re hitting Los Angeles and Southern California and seeing the rewards for it,” he said.

Beyond the specific target market push, other factors abound for more tourist traffic such as spectacular warm weather compared to extremely hot temperatures. With that, you take the celebration of the continued emergence of human-powered events. Combine that with Lake Tahoe’s natural beauty, and it’s a recipe for business success.

And unlike other areas of California struggling with drought,

Thompson believes the dry conditions may have helped lake visitation to varying degrees. First, fewer skiers prompted by less snow last winter pushed vacations to spring and summer. Then, there's the mere lack of water everywhere else.

"We have a lot of water (in comparison)," he said.



Non-motorized water sports don't need to worry about the drought as much as motor boats. Photo/LTN file

### **Just change watercraft**

Even with a lower water level at the lake, there's opportunity.

It's location, location, location coupled with activity trends for Inn by the Lake General Manager Jeremy Agnew. He has seen a huge uptick in business stemming from the blockbuster popularity of standup paddleboarding. SUP requires little water underneath. That said, power boats are driven out farther on the lake, thus creating a serene experience as peaceful as hiking on water.

El Dorado Beach is a hotspot for the sport, and Inn by the Lake is feet away as the host hotel for the SUP races.

Agnew cited a surge in recreational warriors, international tourists and more childfree couples traveling in mid-August when the school year starts.

The numbers seem to add up.

## Money coming in

According to South Lake Tahoe, the last transient occupancy tax collections recorded for June showed a year-over-year increase from \$1.08 million to \$1.27 million in receipts. Rooms rented comparing the same month year-to-year show a leap in city bookings from 54,548 to this year at 59,041.

“It’s been crazy this year. It started in February with people coming up because we didn’t have snow, but they liked that they didn’t have to drive in it,” Agnew said.

Ditto, said Tom Turner, who owns restaurants on the South Shore, east side and Truckee. Although his Caliente eatery traffic was tied up in the Kings Beach roadwork mess, that restaurant along with Riva Grill (South Lake Tahoe) and Bar of America (Truckee) witnessed “more people eating and drinking instead of skiing,” he noted.

Bob Hassett, who runs the Camp Richardson, Timber Cove, Lakeside and now Round Hill Pines marinas, enjoyed a decent showing on his water taxi. He pointed out how people would cart their bikes from one section of the lake to another. The increased traffic overall offset the occasional challenges experienced by the lake’s lower-than-usual water level near shore. Improvise. His staff would simply negotiate the boats out 200 yards to help the watercraft renters.

“It’s been a good summer. There were definitely a lot of people in town, and I’m happy to see that. People were pleasantly surprised they could even get on the lake and heard marinas are closed. We’ve tried to get the word out there’s plenty of water out there,” he told *Lake Tahoe News*.

Hassett went as far as to say business revenue at the marinas, which mainly represents boat rentals, is back to where it was at pre-recession standards in 2008.

This experience may coincide to a completely different South

Shore business.

With five years under her belt, Paige Rice who runs Tahoe Best Friends said she's had the "best summer ever."

The doggie day care service has been busy throughout the summer for overnight business, and that goes way beyond the locals. Some people decide to travel with their pets and stay wherever without worrying about whether the lodging establishment takes pets or not. They'll even visit their dogs during the day to check in with them.

She averages 25 daytime dog visits and 20 overnight.

"And it's consistently growing," Rice said.

She's not alone.

Sandy Cole has owned the Simple Bliss Vegan Café in the middle of South Lake Tahoe for three years and experienced a surge in business this summer to the tune of doing two-to-three times the traffic than in previous years.

"It's been amazing. I grew up here, and I haven't seen it like this for a while," she said, noting the best times are the hottest. In particular, when Sacramento hits 100 degrees, Tahoe represents an ideal escape.

"I'd be up here too if I lived somewhere else," Cole quipped.