

# North Tahoe tax revenues continue to climb

By Lake Tahoe News

Even though the number of permanent residents is declining in North Lake Tahoe, second home ownership and tourism is increasing.

Placer County Deputy Chief Executive Officer Jennifer Merchant gave supervisors an update this week on services, programs, and projects delivered to citizens in the eastern part of the county. Part of the presentation highlighted the growing economic divide.

North Lake Tahoe area property taxes saw a 9 percent increase since last fiscal year. This is being attributed to the growth in second homes.

The hotel tax is also on the rise, in large part because tourism is growing. The North Lake Tahoe region had 822,000 visitors in 2002, while 10 years later that number had grown to 1,037,000.

The transient occupancy revenue was more than \$12 million in 2014-15. Sixty percent of that goes back into the community to provide marketing services, increased transit services and visitor related capital projects such as bike trails and beach maintenance.

Merchant told the electeds that in the last 10 years more than \$32 million in TOT funding has leveraged \$235 million in private, local, state and federal funding sources to enable Placer County to complete nearly 100 Tahoe area projects such as the Kings Beach Commercial Core Improvement Project, Tahoe City Transit Center, Commons Beach Restoration and bike trail expansion and improvement.

While tourists are spending money, not all locals are doing well. This is evidenced by the number of people applying to the CalFresh (aka food stamps) program. The number of applications more than doubled over a five-year period in eastern Placer County with 2,020 applications in 2010 growing to 4,430 applications in 2015. That number is expected to grow this year.

“The increase in permanent residents needing social services is very concerning,” Supervisor Jennifer Montgomery. “We need to understand how to address this in eastern Placer County and understand how it relates to a lack of affordable housing and economic opportunities.”