

# A Misunderstood Relationship: Economic Vitality and Environmental Improvement in the Tahoe Basin

Tahoe Science Consortium  
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Presented by: **Hansford Economic Consulting**

# Presentation Outline

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- Introduction / Background
  - What is Economic Vitality and what does the Bi-State Compact say about it?
  - Are Environmental Goals and Economic Vitality Mutually Exclusive or Co-dependent in the Tahoe Basin?
- Socioeconomic Landscape of the Tahoe Basin
  - What the Data Shows (1990 to 2010) – key indicators
- Managerial Changes
  - Integrating economic values into Land Use and Transportation Strategies
- Conclusions

# What is Economic Vitality?

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- A prosperous, well-balanced functioning community that is able to support itself with basic infrastructure and services by generating sufficient local revenue base to pay for them
  - Reliant on safe, dependable and efficient transit services and logical, well-functioning transportation networks

(Hansford Economic Consulting 2012)

# Economic Vitality in the Bi-State Compact

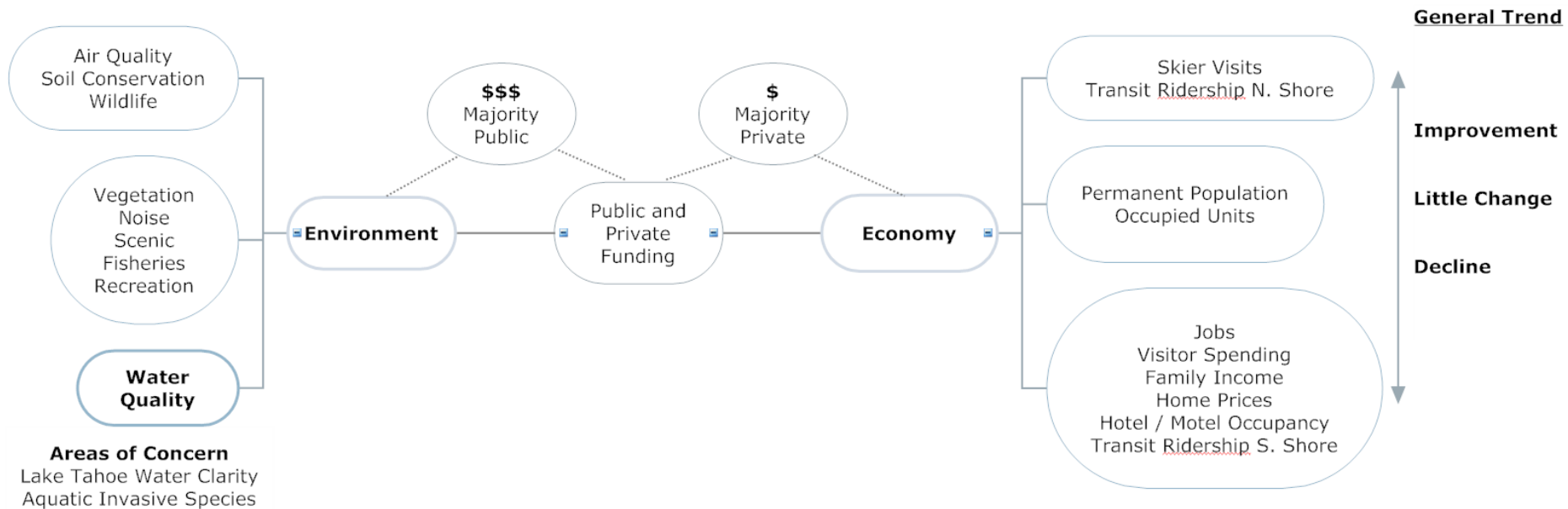
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- Article 1, Finding 6: TRPA is required to consider social and economic factors in maintaining the lake Tahoe Basin's scenic, recreational, educational, scientific, and natural public health values
  - TRPA has no authority to implement economic sustainability or development programs
  - There is no one agency responsible for the regulation of the economic health of the Tahoe Basin; however, the policies and actions of individual agencies and their cumulative impact can profoundly affect the levels of population, conditions of housing, total employment and welfare of low-income and minority persons, and ultimately the fabric of the community at large

(Hansford Economic Consulting 2012)

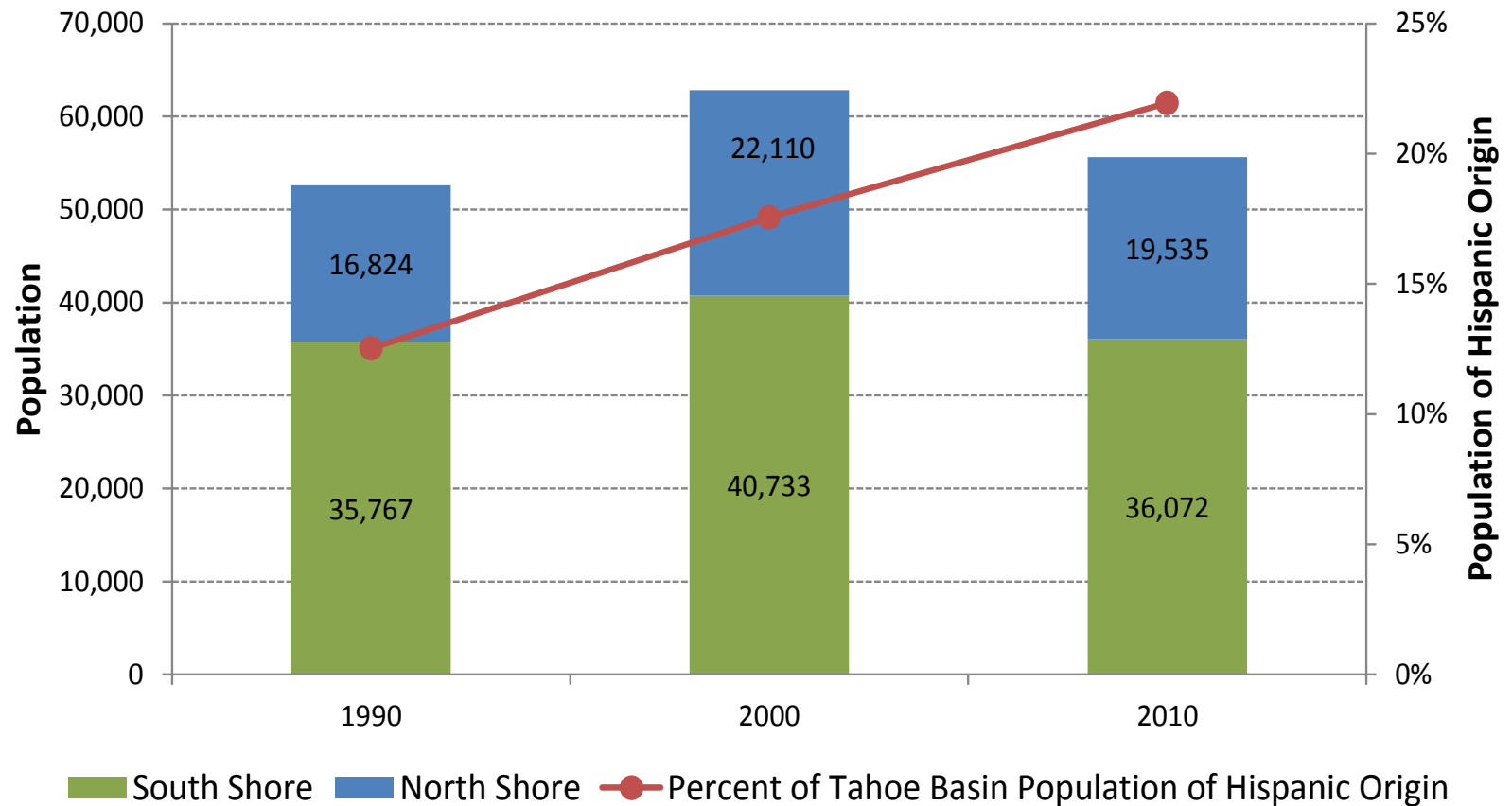
# General Trends between the Economy and the Environment

## Indicators of Trends in Environmental and Economic Gain (or Loss)

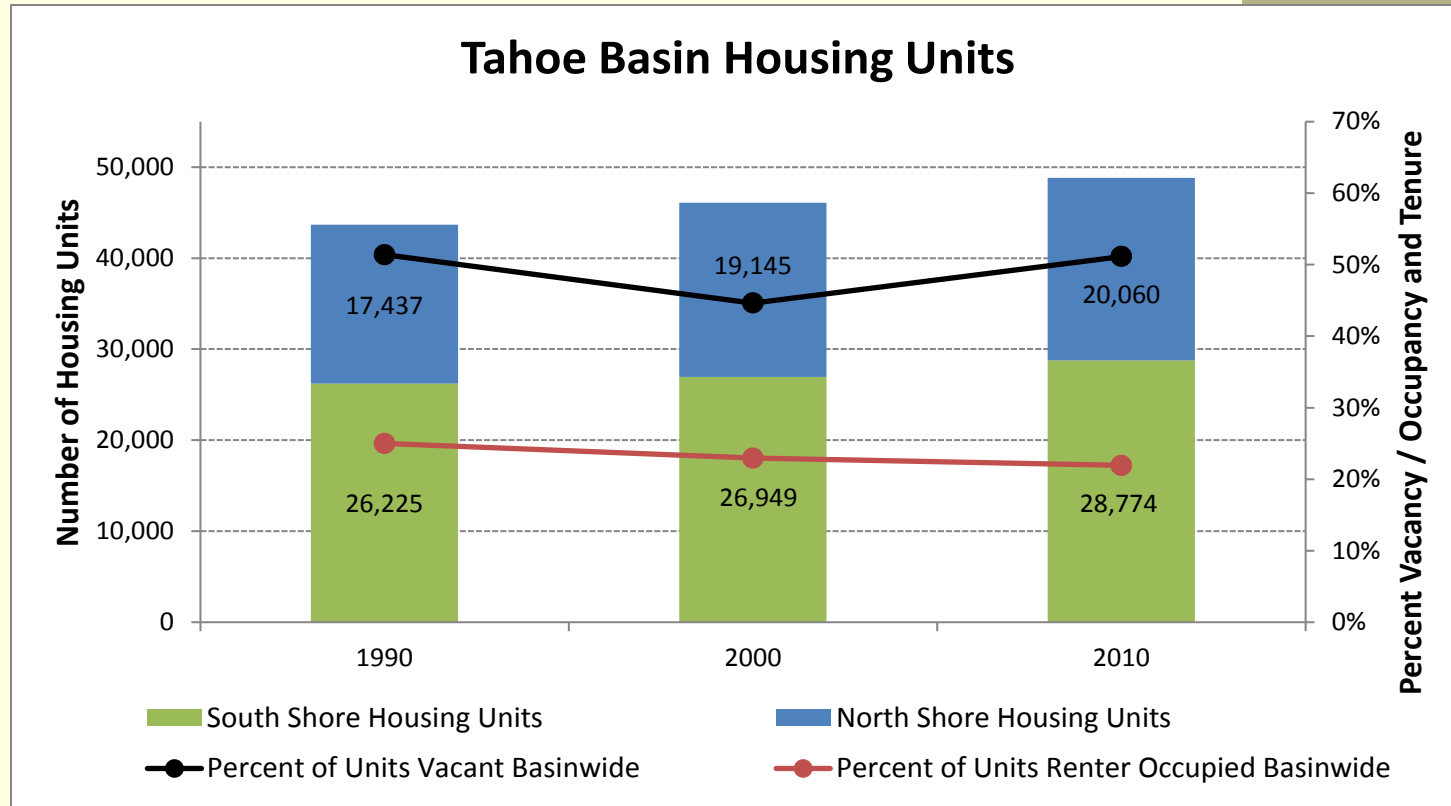


# Population

## Tahoe Basin Population



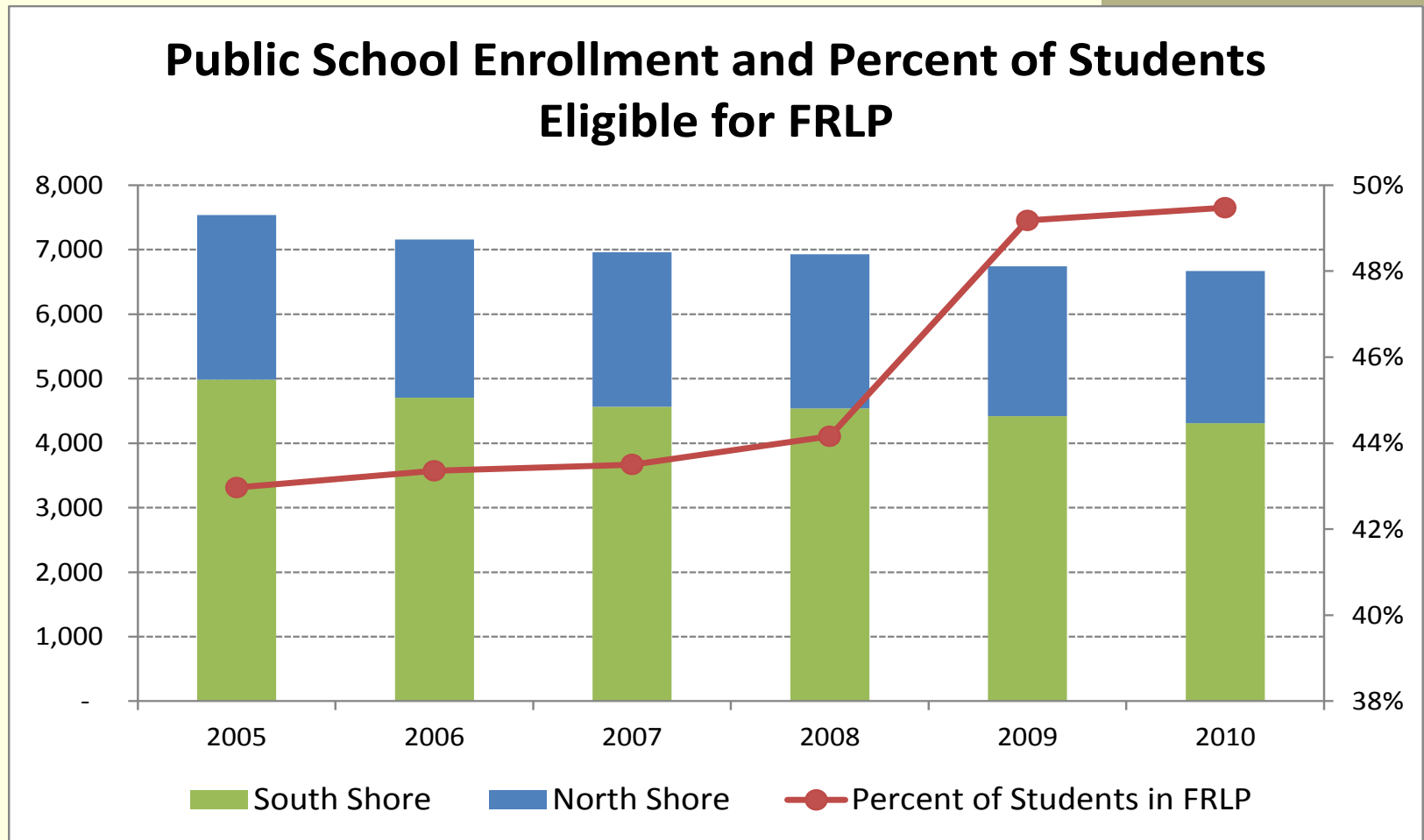
# Housing Units



## In 2010:

- Seasonal Use 44% of units (52% N. Shore, 39% S. Shore)
- Owner Occupied 27% of units (N. Shore and S. Shore similar)
- Vacant 7% (N. Shore and S. Shore similar)

# Community and Poverty

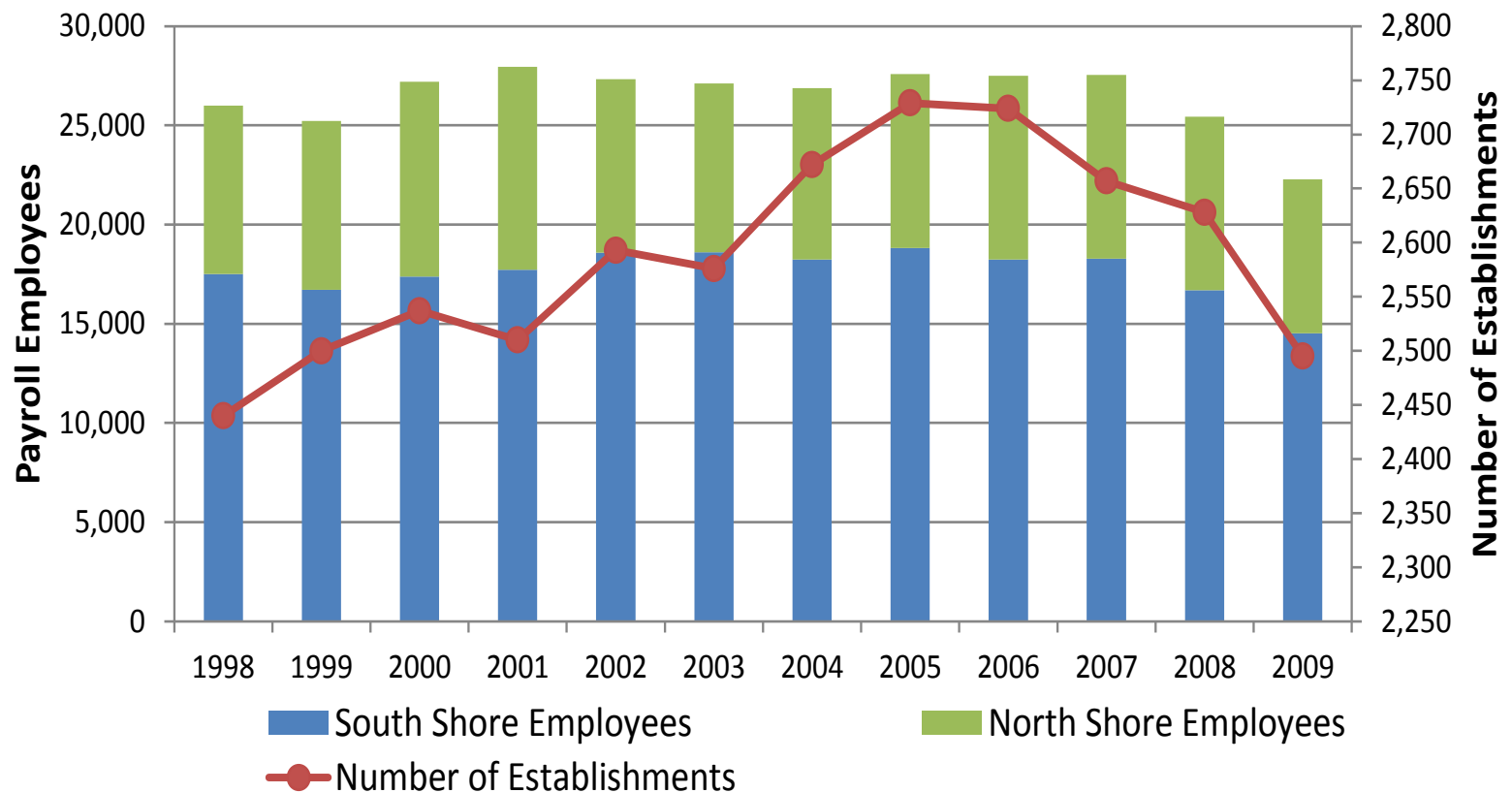


■ Loss of students greater in CA (especially S. Shore) than NV



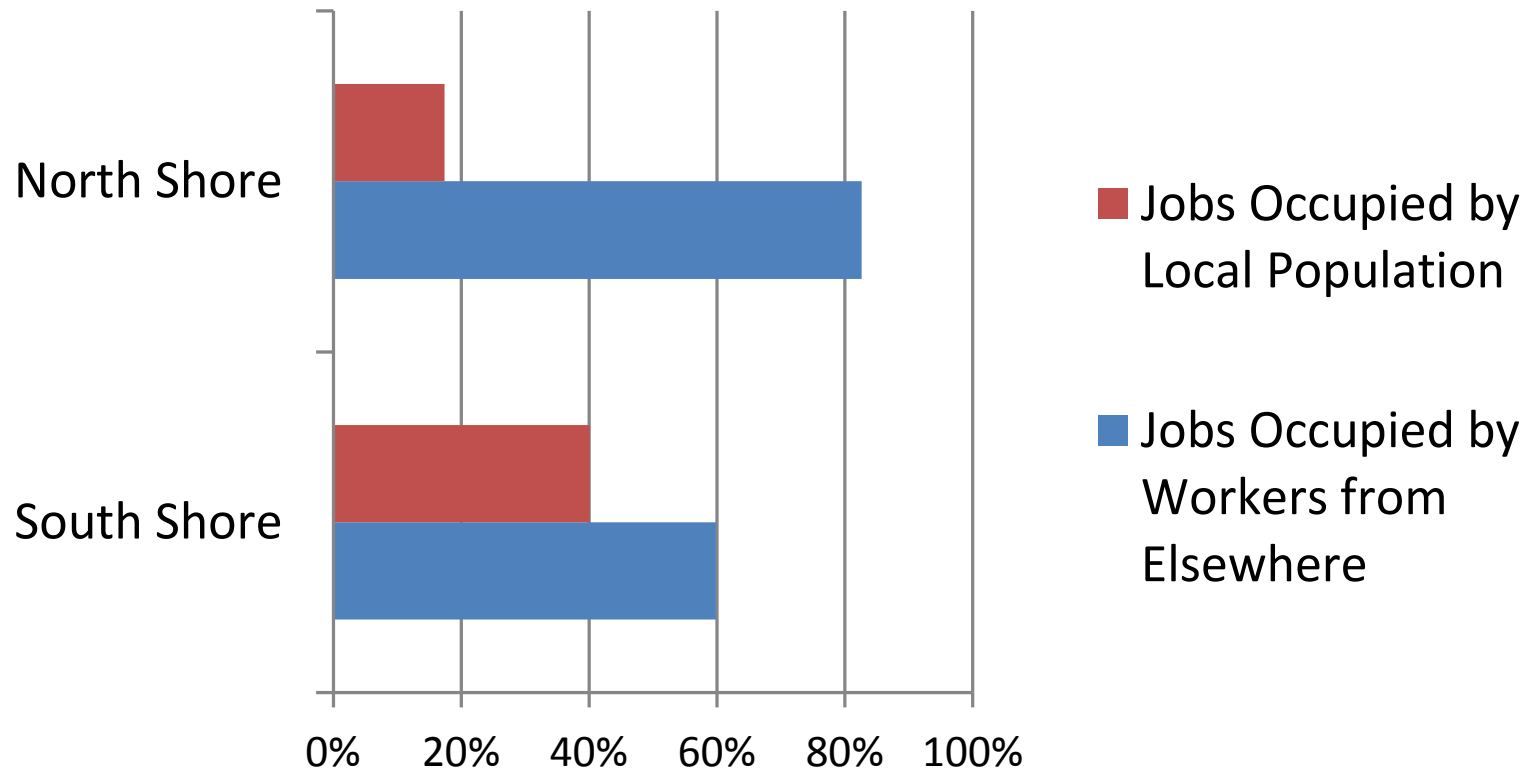
# Employment

## Tahoe Basin Payroll Employees and Number of Establishments

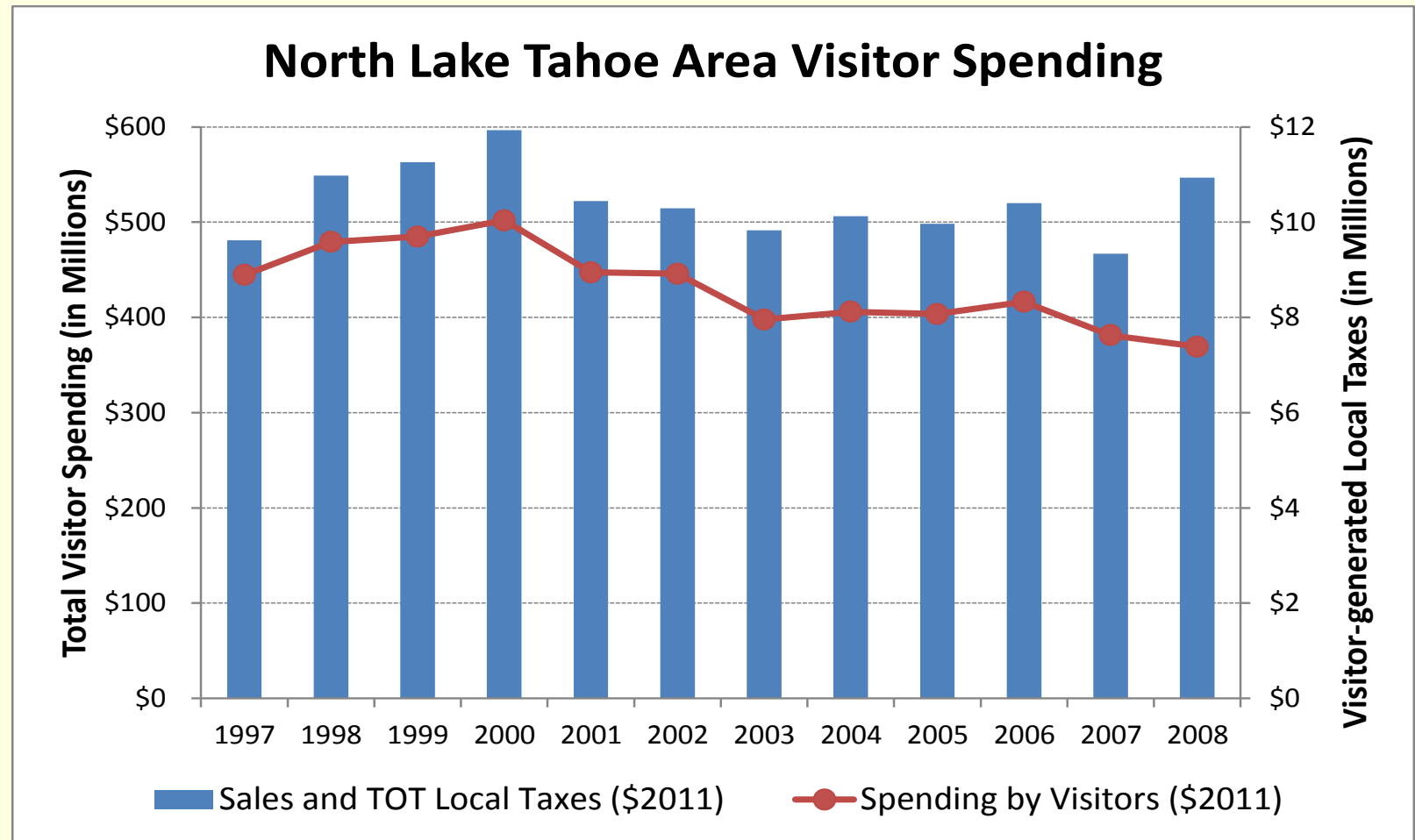


# Jobs Occupied by Local Population

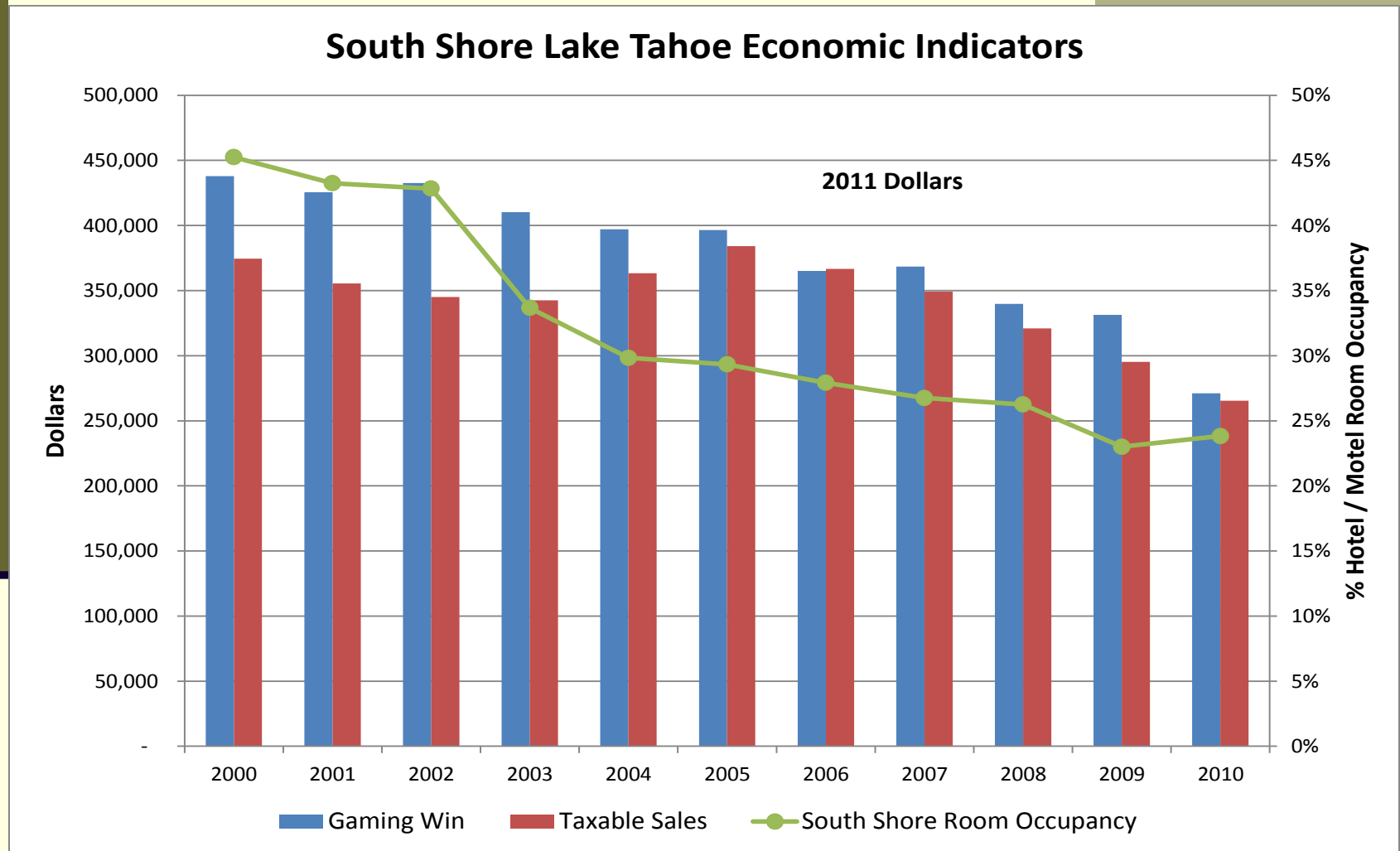
## Jobs Occupied by Local Population



# Tourism – North Shore Indicators



# Tourism – South Shore Indicators



# Changing View of the Economy-Environment Relationship

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## ■ TRPA (starting with the Pathway process, 2005)

- Triple Bottom Line: environment, ecology, sociology

“..there is a direct linkage between socioeconomic conditions and environmental management activities. Economic activity impacts the Basin environment while environmental regulations affect economic investment” (Pathway 2007 Draft Evaluation Report September 30, 2005, page 168)

- 2011 Threshold Evaluation Report – included Socioeconomics

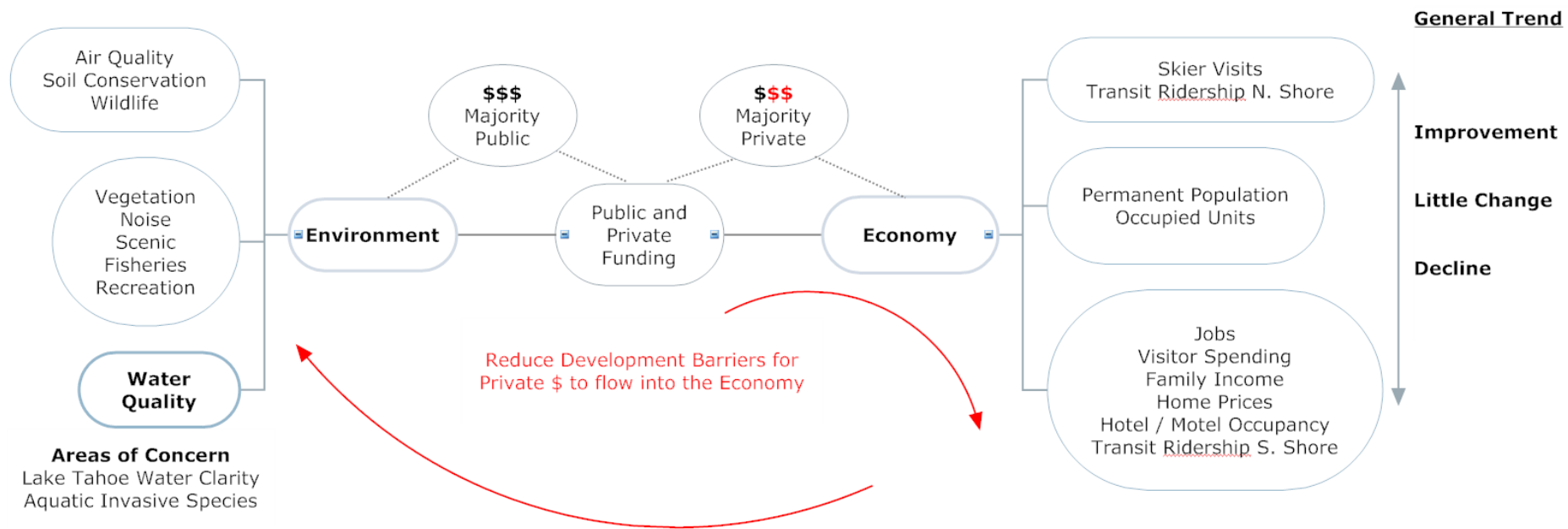
“Stagnation of redevelopment and overly complex land use policies are reducing opportunities to improve environmental quality.” (2011 Threshold Evaluation Report, page 10)

## ■ Prosperity Plan (2010)

- “...the social and fiscal dislocations in the region...threatens to hamper efforts to improve lake clarity and other environmental values in the Basin.” (2010 Prosperity Plan, page i)

# Increase Private Investment into the Economy to Support Environmental Goals

## Indicators of Trends in Environmental and Economic Gain (or Loss)



# Quantifying the Economy-Environment Relationship

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## ■ Army Corps of Engineers (2010)

- ....“redevelopment is the major private sector funding vehicle that will address the problem (deterioration of water quality) at its source”
- “...to meet EIP targets for private sector redevelopment ....nearly one Heavenly Village or Boulder Bay sized project (would have to be completed) every year (between 2010 and 2020)

(Economic Analysis of Private Source Stormwater BMP Expenditures on Redevelopment Projects, 2010, pages ES-1 and ES-2)

# Managerial Changes

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## ■ State of Nevada (2011)

- Senate Bill 271 “...the regional plan shall reflect changing economic conditions and the economic effect of regulation on commerce”

## ■ California State Parks (2011)

- Approval of the Upper Truckee River Restoration and Golf Course Reconfiguration Project to balance economic and recreational impacts while achieving environmental goals

## ■ TRPA (2012)

- Regional Plan Update (conformance review process)



# Implementing the Triple Bottom Line

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- Grass-roots Efforts – example is Geo-Tourism
- Public Agency and Non-Profit Efforts – example is a Prosperity Center to Support Environmental Innovation, Tourism and Visitor Services, Health and Wellness
- Progress toward further attainment of environmental thresholds will require altering the growth pattern of the Tahoe Basin.
  - Existing barriers to redevelopment of urban cores must be reduced for financial feasibility
  - Accomplish redevelopment while reducing disturbance of land from new development
  - Place development in already-impacted areas and strengthen transportation

# Conclusions

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1. Economic Health of the Tahoe Basin and Environmental Improvement has been a **misunderstood relationship in the past**
2. There are documented recent acknowledgements by Tahoe Basin managing entities that the **desired level of environmental improvements are unobtainable without economic improvements**

# Conclusions

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## **3. Greater local land use management gives greater likelihood for both economic success and environmental improvement**

- More logical land uses in harmony with local character
- Encourage clustering of similar services
- Local comprehensive economic revitalization programs

# Questions?

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