



**TAHOE PROSPERITY CENTER**  
tahoeprosperity.org

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## **TPC Publishes Report on Economic Conditions in Tahoe Basin to Provide Baseline for Recovery, Resiliency and Diversification Effort**

*Report assesses living and working conditions in Tahoe Basin, lays foundation “Envision Tahoe” strategies*

INCLINE VILLAGE, NV – The Tahoe Prosperity Center (TPC), the regional community and economic development non-profit for the Tahoe Basin, today published, “2021 Baseline Report for the Tahoe Basin: Living and Working Today in and Around the Tahoe Basin.” The report measures demographic and economic conditions in the basin that are impacting employment, household earnings, housing, tax revenue and community services, among other aspects of life in the Tahoe Basin.

The report is intended to establish baseline conditions that will inform discussions and planning around diversification strategies to help Tahoe’s economy recover from the pandemic and, more recently, the Caldor Fire, and become more resilient to economic disruptions. TPC is leading this community engagement and economic planning effort called, “Envision Tahoe: Prosperity Plan 2.0.”

“Tahoe’s economic profile is complex and perspectives about conditions here are heavily informed by individual experience and socioeconomic status,” said Heidi Hill Drum. “As we engage in an inclusive, Basin-wide discussion about our economic future as part of ‘Envision Tahoe,’ it was vital to have an objective, data-driven assessment of current conditions in our community. Before we can identify where we want to go to make our economy stronger and more resilient, we need to understand where we stand today, particularly in the aftermath of a disaster like the Caldor Fire.”

The key findings of the Baseline Report include:

### **Incomes**

- Approximately 65% of Tahoe households make less than \$93,500, which is what it takes to cover housing and common living expenses in Tahoe.

### **Housing**

- Average home prices have increased 35 percent since 2020, now averaging \$875,000 in the Tahoe area.
- A person or couple would need a combined annual income of \$130,562 (\$63 per hour, full time) to afford the average priced home, after the required 20 percent down payment of \$175,000.
- Not including the influx of workers related to COVID-19, the number of year-round residents in the Basin has declined 11 percent since 2010, down to 53,688.
- More than half of all workers in the Lake Tahoe do not live in the Basin, leading to longer commute times, rising traffic congestion, and evidence of elevated environmental impacts.

## Workforce

- The number of prime working adults aged 25-65 declined by four percent over the last decade, a workforce reduction of 1,379 in absolute numbers.
- The number of Tahoe residents under the age of 24 steadily declined since 2010, while those aged 65 and older increased from 13 percent to 20 percent of the population.
- The number of residents with advanced degrees has steadily increased over the past 10 years, suggesting a knowledgeable and skilled talent pool is available to be tapped in Tahoe to support existing and/or new businesses.

## Industry Sectors

- Visitor-related businesses increased from 40 percent to 62 percent of all economic activity in the Basin over the past 10 years, but is subject to wide seasonal swings in employment, and is highly susceptible to disruption.
- Tahoe's economic base has become more concentrated in a few areas since 2010. Three industry clusters (and the businesses that support them) contribute 95 percent of all economic output in the Tahoe Basin: visitor services, environmental innovation, and health and wellness. All three sectors experienced flat or declining job growth and economic output over the past 10 years.
- Construction has seen a steady increase in jobs over the past 10 years. Since 2010, construction has grown by 57 percent to more than 4,000 jobs today, or 12 percent of the job base. Like tourism, construction is subject to boom and bust cycles driven by economic swings and available consumer spending.

The Baseline Report concludes, "With the rise of economic, social, and environmental disruptions caused by climate change, pandemics, and rapid economic and technological shifts, the importance of economic diversification is rising as a central element in economic development planning at the regional, state, and national level."

The Report was recently presented to a diverse set of stakeholders serving as a Basin Wide Steering Committee for "Envision Tahoe." The committee is co-chaired by Placer County Supervisor Cindy Gustafson and Chris McNamara, owner of OutdoorGearLab, LLC and TechGearLab and includes approximately three dozen individuals from various communities around Lake Tahoe who represent local residents, business, education, workforce, community, government and tribal organizations.

"We appreciate the initial review and feedback of the Basin Wide Steering Committee and believe the report has identified the key issues," added Hill Drum. "We are excited to present the report to the broader Tahoe community and invite their input as part of our extensive engagement process that is vital to the Envision Tahoe effort."

For more information, visit [www.tahoeprosperty.org/envision-tahoe/](http://www.tahoeprosperty.org/envision-tahoe/)

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Tahoe Prosperity Center is an innovative economic and community development non-profit. In order to make Lake Tahoe truly inclusive and prosperous, we are working to establish attainable workforce housing, improve job and training opportunities, reliable and robust internet, and ensure a safe Basin equipped with fire safety cameras - all driven by locally focused, community indicators data. TPC works towards a healthy economy, community and environment. Our mission is Uniting Tahoe's communities to strengthen regional prosperity.