Tahoe tourism officials hope spinning wheels turn into cash

By Kathryn Reed

While there is no guarantee of making money from the Amgen Tour de California race, making money is the reason to be part of it.

“California’s majestic scenery, thrilling sporting events, world-class museums and art galleries attract millions of visitors to our state each year. Last year visitors spent nearly $90 billion in our local communities. This money has an enormous impact on employment and can serve as a catalyst to grow our economy,” Gov. Jerry Brown said in a statement.

Tricked out vehicles with TV cameras are already cruising the streets of South Lake Tahoe. Photos/Kathryn Reed

As the premier cycling event in the United States takes off

from the South Shore on Sunday, it coincides with the final day of National Travel and Tourism Week.

May 15 begins a two-day affair for Lake Tahoe to show the world what it has to offer to cyclists and to those who would want to visit for other reasons.

“Ninety countries will be broadcasting this event to a global audience who may not even have heard of Tahoe. We can likely assume that this is millions of dollars worth of media for these impressions coupled with the incredible regional and national impressions,” explained B Gorman, president of the Lake Tahoe South Shore Chamber of Commerce. “We will never be able to track this value in terms of visitors who have the brand reinforced or begin to think about our piece of heaven as a destination they might visit in the future.”

There will be 27 hours of television coverage during the eight-day race that ends May 22 in Thousand Oaks.

Most of the economic impact to the South Shore, Truckee and Squaw Valley will come down the road when people travel here after being teased by the media with the allure of the Jewel of the Sierra.

That’s not to say hotels, restaurants and retail won’t benefit this weekend while people are in town for the start in South Tahoe, the end of stage one at Northstar-at-Tahoe, and the stage two start May 16 in Squaw.

Hotel and sales taxes, which are reported several months later, will be an indicator of how big of a boon this event was for the area. Considering May is one of deadest times in the basin, having an event of this magnitude is likely to be a bonus for some businesses.

“This event will be well followed in the European market and helps to define Lake Tahoe as a destination. The board of commissioners view this as a tremendous economic opportunity

for Douglas County during a historically slow time of the year," said Lisa Granahan, Douglas County Economic Vitality manager.

Some concerns

Several business people on the route of the race have expressed apprehension about customers being able to access their businesses during the road closures.

"To be honest, if I'm a citizen trying to run a business, I'm going to guess there is a cost," said Truckee police Sgt. Robert Womack.

Despite what appears to be an unusual influx of travelers to Tahoe this time of year, not everyone has heads in beds.

"I haven't heard of anyone exceedingly benefitting from this. It is creating less demand than we had hoped for," Matt Fenn, president of the South Lake Tahoe Lodging Association said. "But there were never any promises made."

Part of this may have to do with LTVA's lodging partners giving away 1,700 room nights – mostly at MontBleu and Harveys. Another 700 rooms were donated on the North Shore.

That's one of the issues with something like this, host cities are asked to give a lot in return for the recognition and prestige that is associated with being involved with this caliber of an event. Food is part of the package, too.

LTVA budgeted $250,000 to bring the event to South Lake Tahoe. What has actually been spent is not known.

North Lake Tahoe Resort Association officials would not disclose what their share is.

Money in the bank

"Hosting the Amgen Tour de California has already paid for

itself in media coverage generated. The exposure prior to the stage one start is estimated at $260,000 in advertising equivalency – what it would cost to purchase the same amount of editorial space – and a reach of 96 million in circulation/listenership," according to LTVA literature.

In addition, local tourism officials have a robust social media campaign, including the LTVA's iPhone app Tahoe South that has tons of race information.

LTVA also expects to generate about $50,000 in revenue from retail, sponsorships, last night's gala and today's Legends Ride.

In the long term, LTVA told *Lake Tahoe News* it anticipates the local impact of the actual race and events leading up to it could bring $5 million to $10 million to the area.

Previous Tour de California races have brought an estimated $100 million to the state.

North Lake Tahoe Resort Association officials, who have partnered with LTVA, wouldn't make projections about the fiscal impact of the race on the region or North Shore in particular. Though they also see money to be reaped down the road.

"This type of affiliation will go a long way in the promotion and awareness of this region as a bike mecca – both road and mountain," Andy Chapman, NLTRA tourism director, said.

Even though a large number of out of town plates have been zipping along the local roads, it's hard to know if they are here for the race.

"We have an opportunity to showcase ourselves as a destination for various types of recreational activities for individuals, families, groups, amateur, elite and professional athletes," Gorman said. "The visitor who travels to a destination to

participate in sports, activities and hobbies such as hiking, cycling, kayaking, art, culture, history etc. stay longer, use public transportation and spend more.”

It also seems like a larger number of adult beverage trucks were making deliveries on the South Shore on Friday.

Businesses have signs welcoming the riders and spectators, with some having displays out already. Highway 50 from Stateline to the Y is expected to be one big party scene, with much of the same atmosphere when the riders complete stage one at the Northstar Village.

Part of the Mikasa parking lot at Y in South Lake is already barricaded off so people can gather there to watch. The cyclists will pass that location twice. Plus, there will be a BMX demo at that site.

Cooperative effort

To put on something like this requires a great deal of cooperation with law enforcement. They will be everywhere. A California Highway Patrol SUV was speeding behind a supped up camera-mobile Friday morning as a practice run of sorts through South Lake Tahoe.

CHP did not release what this costs them or if they charge the race promoters for the added manpower.

The Nevada Highway Patrol is putting extra people on duty while the race comes through the Silver State for the first time. They are billing the folks at Amgen.

For Truckee police, no added cost is involved, though more officers will be out and about. Womack said instead of having a training day this month, officers are working the bike ride.

South Lake Tahoe is spending about $27,000 on the event — $7,000 on the BMX expo; $8,500 on community services, staffing and support, event coordination, tents along the route for

nonprofits, street barricades from Stateline through the city; and $11,500 on public safety overtime. Overtime is built into the budget with the expectation of special events coming up throughout the year.

Added personnel include a combined extra 21 police and fire, five public works employees, and parks and recreation staff working the event.

“As for revenue, I understand hotels have reservations above the average occupancy for this time period, which will provide an increase in TOT if bookings hold up. More visitors would also provide an increase in sales tax,” Nancy Kerry, city spokeswoman said.

Douglas County will have 35 sworn deputies, about 10 citizen patrol officers, 15 on horseback, and 30 search and rescue.

All jurisdictions have a wealth of volunteers helping.

The Douglas County commissioners approved $9,000 in overtime costs for the sheriff’s department.

“The action sheet states that the economic impact from the Amgen tour to Lake Tahoe’s South Shore is estimated at $3 million to $6 million over a several day period,” Douglas County’s Granahan said. “That is based on information from other cities’ experiences with Amgen in the past. We expect much of that to be in room tax and sales tax regionwide. Obviously, it is also good for local merchants, catering companies, marketing/advertising, art, and flower companies to name a few who have been engaged in contracts by LTVA.”

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