



833 SW 11th Ave., Suite 920, Portland OR 97205
503.226.2973 FAX 503.226.2984 www.deanrunyan.com

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To: Colleen Dalton, Brand Communications Director, Truckee Tourism Business Improvement District
From: Dan Mishell, Dean Runyan Associates
Re: Travel Impact Research

Dean Runyan Associates (DRA) is pleased to submit the attached proposal in response to your recent request. Our scope of work covers a time-series from 2013-2018, and will include the impacts of all travelers to Truckee, including those with overnight stays in campgrounds and private homes. Additionally, the bid includes an evaluation of Truckee's key competitors by season and comparison of travel impacts, perceived imagery and trip activities.

DRA has provided travel impact research services for over 30 years and is particularly qualified for this type of work. We take pride in a high level of service and the resulting long-standing relationships that we have with many of our clients. We have developed and refined unique approaches to this type of research that offer the greatest reliability available for analysis at the municipal, county and regional level. We strive to help you support your local and regional constituencies with accessible information that allows them to best describe and support the travel industry in their own communities.

We emphasize particularly careful analysis of primary impacts, based on the most reliable and current data gathered at the local level. Our travel impacts findings are based primarily on fiscal data and are not driven by travel surveys and hence are not subject to survey variability and sample size limitations. Moreover our findings can be compared by users to other locally available data, such as for lodging sales and employment, enhancing legitimacy and acceptance.

This proposal also includes the proposed use of survey data from Truckee's e-mail database. Surveying of this group is proposed to understand Truckee's key competitor destinations by season and to evaluate key images and activity types offered by each.

DRA has prepared a proposed scope of work and budget to measure travel impacts for the Town of Truckee and the associated destination area. The project budget for this portion of the study would be \$9,500. The scope also includes a comparison of Truckee impact data as well as image and activity information for its top five competitors. The cost for this portion of the study would be \$6,500. The quoted prices include one trip by DRA to Truckee, likely for presentation of the draft or final report.

DRA recommends conducting travel impacts studies annually in order to monitor trends as accurately as possible. Comparisons to key competitors can be done less frequently, every three to five years, as information usually will not change dramatically from year to year.

If you wish to discuss our proposal in more detail, we would be glad to answer any questions that you may have, and we look forward to your response.

Scope of Work

1. Truckee travel impacts report and comparison with other destination resort areas

Dean Runyan Associates will document and describe important economic impacts of travel to the Town of Truckee and the associated portion of Nevada County from 2013 through 2018, and will compare results to five competitor destinations within the states that DRA currently conducts impacts reporting (see Appendix). The economic impacts will include visitor spending and the overall structure of jobs, earnings, and tax receipts at the state and local level that are a direct result of expenditures made by visitors traveling to and through the Town of Truckee. Findings will be broken out by type of overnight accommodation (i.e., paid lodging, vacation/second home, and campground). Estimates for the impact of day travel will be included as well.

For analyzing direct impacts we will make use of a wide variety of visitor and other economic data, including but not limited to:

- Previously collected data and estimates of California travel impacts produced by DRA for Visit California.
- County level employment and earnings from the Bureau of Economic Analysis' Regional Economic Information System (REIS). The REIS earnings estimates include payroll, other earned income and proprietor income.
- County level payroll and employment data from the California Employment Development Department.
- County Business Patterns zip code data (establishments, employment, payroll by selected NAICS codes).
- Transient Occupancy Tax receipts for the Town of Truckee and other taxes levied on sales to visitors and the spending of employees attributable to travel industry earnings.
- Housing data for vacation/seasonal homes (U.S. Census, and local sources as provided by the Town of Truckee).

- Inventory of overnight campsites from federal, state, local and commercial sources.
- Population and household estimates of the US Census.
- Survey data on travel spending and travel behavior from OmniTrak Group.

We will make use of the Regional Travel Impact Model (RTIM) designed to take into account unique specifications relating to the travel and tourism industry and provides the most reliable direct impact measurements.

For the competitive destination summary, DRA will utilize Truckee's consumer e-mail database of 18,000 consumer affiliates gathered from various opt-in programs over the last two years to understand key competitors by season and to gauge the key images and activity types associated with each. DRA will include a side by side comparison of these competitors vs. Truckee in terms of both image and travel impact- where travel impacts data already exists.

Arts, culture, and history

DRA will include questions in the competitor survey relating to Truckee's appeal and offerings regarding arts, culture, and history. An evaluation of these responses will be included as a section of the competitive destination comparison reporting.

2. Overnight Visitor Volume

DRA will provide visitor volume estimates for overnight travelers to Truckee by type of accommodation for three consecutive years. We will make use of the most recent OmniTrak survey data available, adjusted accordingly for annual price changes, as well as lodging inventories from Truckee town resources such as Host Compliance.

3. Report Preparation and Presentation

Dean Runyan Associates will deliver a written report describing findings for all of the chosen tasks above. A description of the methodology, terminology and data sources used will be provided as an appendix. We will prepare this report in draft for your review, and finalize the report on the basis of your comments and suggestions, providing a pdf format copy for your posting purposes. This report can also be posted on a section on the Dean Runyan Associates web access site, allowing users to identify and download the report in pdf format.

We will also present a summary of the study's major findings to the Truckee Tourism Business Improvement District and/or other interested parties in a format of your choice.

Budget

The budget for the primary Truckee travel impacts project, as described, is \$9,500. For the five-competitor destination evaluation the budget is \$6,500, for a total cost of \$16,000.

Updates

DRA recommends updating the impacts reporting annually to provide timely and accurate trending. The competitive analysis requires less frequent updates given that information will not change dramatically from year to year, so DRA recommends studies to be conducted every three to five years.

Appendix

Summary of Qualifications Dean Runyan Associates

Dean Runyan Associates has worked since 1984 to assist facilities and locations that seek economic or market information for planning, marketing, policy, evaluation and program development. Most of our work is associated in some manner with travel, tourism, recreation and/or education. Some projects are at the individual facility or event level, others investigating states or the nation. The following sample of our projects illustrates the range of what we do. Please feel free to contact us for further details, and/or browse our website to view other examples of our work: www.deanrunyan.com.

Travel and Tourism Impact Analysis

Dean Runyan Associates is one of only a few companies in the US that specializes in analyzing the economic impacts of travel and tourism, with projects at the state, region and community level.

Statewide studies typically provide detailed county-by-county analysis, conducted annually, of the impacts of travel, recreation and tourism, including spending, payroll, employment and tax receipts. These projects also analyze room tax receipts and other economic aspects of travel and tourism.

- Arizona (since 1998)
- California (since 1985)
- Colorado (since 1997)
- Idaho (1997)
- Nebraska (since 2008)
- Nevada (2005-2016)
- New Hampshire (2015)
- North Dakota (1988 – 1995)
- Oregon (since 1987)
- Texas (since 1997)
- Washington (since 1991)
- West Virginia (since 2003)
- Wyoming (since 1997)

Regional and local studies focus on similar impacts as they relate to destination areas, recreation locations and marketing regions.

- Charlotte, North Carolina
- Finger Lakes District, New York
- Juneau, Alaska
- Lake Tahoe Region, California and Nevada
- Napa County, California
- Northern and Eastern Mojave, including Death Valley National Park, California
- Oregon Outdoor Recreation
- Skagway, Alaska
- Sonoma Valley, California
- Sun Valley, Idaho
- Temecula, California

Facility and event studies analyze the economic impacts associated with specific facilities, organizations and/or events.

- Oregon Convention Center, Portland
- Portland Art Museum
- Portland Rose Festival
- Skagit Valley Tulip Festival, Washington

Some studies include both direct and indirect (multiplier) economic impacts.

Tourism/Recreation Resource Planning

Natural and cultural resources are the mainstays of recreation and tourism in many locations – in particular, rural areas with few urban amenities. We assist communities, regional government units and land management agencies with planning and management projects.

Lake Tahoe Tourism Analysis and Policy Plan

Tahoe Regional
Planning Agency,
Zephyr Cove, Nevada

The Lake Tahoe Region, including the nearby Reno metropolitan area, is one of America’s most beautiful and popular multi-season visitor destinations. Lake Tahoe’s extremely high water quality – a major part of the attraction – is very vulnerable to development and human activity. For this reason, the region is managed by the Tahoe Regional Planning Agency (TRPA), a two-state authority that oversees development and resource management. We prepared a detailed study of the Tahoe economy – focusing both on the communities immediately

adjoining the lake and the region that includes Reno – and described the economic activity that is associated with summer and winter recreation. We also surveyed business, community and agency representatives in order to assess the economic consequences of TRPA policy and planning activities. Our work forms part of the updated management plan for the Tahoe Basin.

Death Valley National Park, Eastern Mojave Management Plan Socioeconomic Analysis

National Park Service,
Denver, Colorado

The Northern and Eastern Area of the Mojave Desert in California is both a unique and fragile habitat, and the location of extensive desert recreation. Death Valley National Park, located within this region, is one of the world’s most unique locations and visitor destinations. We analyzed the recreation and tourism that occurs in this area, and measured its economic significance locally and regionally. Then, working with a National Park Service team, we analyzed the social and economic consequences of resource management alternatives specified as part of the updated management plan for the region.

Sun Valley/Ketchum Tourism Economic Analysis

Sun Valley/Ketchum
Chamber of Commerce,
Idaho

The Sun Valley/Ketchum region in Central Idaho is a renowned winter destination area that also enjoys substantial summer visitation. We prepared a detailed economic analysis of the region that describes visitor expenditures and the associated employment, earnings and tax receipts. The project involved analyzing unique attributes including an extensive inventory of second homes, high housing costs and a high level of employee commuting. The study also involved a survey of area businesses in order to gather current data on employment and business patterns. The research will be used to track tourism-related economic conditions and to develop planning policies in the region.

Destination: Alaska Tourism Master Plan

Alaska Visitors
Association,
Anchorage, Alaska

Tourism in Alaska has grown dramatically over the past decade, fueled by a rapidly expanding cruise industry, as well as additional fly and drive visitation. Alaska's appeal is strongly centered in wildlife, natural resources and native culture, and the state draws significant international travel. Most of the land in Alaska is owned by government agencies, however, placing these units in an important tourism management role. The Destination: Alaska Tourism Master Plan included a very extensive agency, business and public participation process, and resulted in a detailed tourism development action plan for all major entities in the state. The plan also included a market study that identified important target markets, a product assessment, and product development priorities. The plan was updated four years after the initial effort, including an assessment of progress, revised product assessment and updated action plan.

Campers in California

California Tourism
Commission, NPS,
California State Parks,
USFS, BLM, California
Travel Parks Association

Campers are an important component of tourism in many rural, coastal and mountain areas. These travelers range from those who hike in wilderness areas to others with large RVs who make use of highly developed RV resorts. This study, sponsored by a consortium of public and private groups, included a survey of campers throughout the state, and described camper activities, facility usage, travel patterns, demographics and expenditures.

Oregon Outdoor Recreation Economic Impacts

Oregon Department of
Fish and Wildlife; Travel
Oregon

Outdoor recreation is a particularly important attraction for Oregon, and the state's many coastal, mountain and high desert regions attract residents and visitors alike. This extensive study profiled fishing, hunting, shell fishing and wildlife viewing throughout the state, employing several large surveys, and generated detailed descriptions of outdoor recreation activity in each county. Further analysis describes the economic impacts associated with these activities and compares these impacts, at a county level, with the overall level of travel and tourism economic activity. A custom website is available to interactively select county, regional or statewide analysis and display findings desired.

Destination Area Market Research and Planning

We assist destination areas with studies of market segments, market trends and characteristics, product development and marketing priorities, and strategies for partnerships and revenue generation.

Sonoma Valley Visitor Industry and Planning Study

Sonoma Valley Visitors
Bureau, California

The Sonoma Valley is one of the major wine destination regions in California, situated on the periphery of one of the largest and most affluent market areas in North America. The Visitor Association, in partnership with the City of Sonoma, was concerned with how to help maintain successful visitor and wine industries while maintaining the special qualities of this unique destination. We helped identify targets for visitor promotion that emphasize quality and economic benefits, and options for product development that will enhance the Valley's position as a premier California wine destination.

Port Gamble Master Plan; Destination Market Analysis

Pope Resources,
Poulsbo, Washington

Port Gamble, situated on the Hood Canal in Northwestern Washington, is a historic timber community entirely owned by Pope Resources. DRA analyzed a variety of development options for the community, including reuse of the historic housing and commercial structures, new visitor-related lodging and recreation facilities, special events and educational activities. We prepared financial projections for selected development options and analyzed pertinent competition and development strategies.

North America Packaged Travel Market and Economic Analysis

National Tour Association,
Lexington, Kentucky

This major study of North American packaged travel will provide a detailed profile of American and Canadian packaged travel consumers as well as current measures of the economic significance of this industry. Packaged travel includes travel in groups such as organized tours as well as independent travel packages where purchasers travel on their own. The project involves an extensive survey of packaged traveler purchasers – conducted by Longwoods International of Toronto, Canada – and a detailed analysis of packaged travel sales, employment and earnings. The study will be continued annually in order to provide valuable trend and market development data.

Jefferson County/Olympic Peninsula Tourism Market Analysis and Plan

Jefferson County,
Washington

The Olympic Peninsula in Washington includes Olympic National Park plus a number of shoreline, forest, historic town, event and other attractions. The region attracts Northwest residents, as well as visitors from throughout North America and internationally. Our work in this region has involved a detailed profile of visitors, analysis and assessment of attractions, primary market area survey (the Puget Sound region, in this case), identification of partnership opportunities, and assessment of marketing activities. We made recommendations for establishing new marketing partnerships, establishing and enhancing web-based marketing programs, priorities for marketing expenditures, and suggestions for additional research.

Feasibility Studies and Master Plans

These projects typically focus on investigating the market and demand for a new or expanded facility. Some projects are primarily economic, while others involve design, engineering, marketing and other components.

Fort Worth Nature Center and Refuge

City of Fort Worth,
Texas

The educational programs and collections of the Fort Worth Nature Center are beloved of many Fort Worth residents, who visit the 3,400 acre site to hike, bird, canoe, visit the Bison and Prairie Dog exhibits, or to attend one of the educational programs or events. The site straddles the Trinity River and represents over a third of the City's park and recreation acreage inventory. The master plan thoroughly assessed the site and its opportunities, then made recommendations for site and collections management, programs, facilities, and approaches to manage boundaries and adjacent residential and commercial interfaces. DRA

analyzed the markets and demand for the Center, then prepared development recommendations and a preliminary operating budget for the facility. The City was particularly interested in identifying revenue sources that will cover anticipated increases in operating costs for the facility.

Garvan Woodland Gardens

Garvan Woodland
Gardens, Hot Springs,
Arkansas

Garvan Woodland Gardens, located near Hot Springs, Arkansas, is owned by the University of Arkansas and includes over 200 acres of woodland and gardens that are situated on a peninsula of a large lake. For this project we analyzed current Gardens membership and attendance, market conditions and the experience of selected comparable gardens and arboreta, and then contributed to developing and assessing master plan alternatives. We then developed a business plan that provides attendance and revenue projections, forecasts of operating costs, and a phased proforma budget that reflects master plan recommendations.

Arboretum at Penn State

Pennsylvania State
University, University
Park, Pennsylvania

Pennsylvania State University, one of the largest and most active higher education facilities in the US, is planning on developing a 400-acre parcel adjacent to campus as a high quality botanical garden and arboretum. The facility will be a major activity center for the entire campus, as well as a draw for visitors, and a venue for many social and other special events. Working with a design team, DRA analyzed the market for the facility, studied a number of other university gardens, then prepared demand and financial projections. We also made recommendations regarding phasing for the facility, and for siting the various venues for meetings, events and educational programming.

Washington Park Arboretum

City of Seattle,
Washington

The Washington Park Arboretum is a 200-acre arboretum and botanical garden located in Seattle, serving a variety of educational, recreational, research and conversation purposes. The beautiful gardens and the visitor center are year-round attractions for residents and visitors alike. We assisted with preparing an extensive new master plan for the facility, providing attendance projections for each phase of planned development, plus revenue projections and preliminary operating budgets. Revenue projections focused on a number of potential revenue sources, including events and other rentals, retail, education and concessions. The project also involved considering the unique partnership that operates the garden – the University of Washington, the City of Seattle and a private foundation – and preparing detailed maintenance cost estimates based on planting specifications.

Mount St. Helens Institute Feasibility

Mount St. Helens
Institute,
Kelso, Washington

The Mount St. Helens Institute, which began operations in 2000, offers day and overnight natural resources classes, in particular those associated with geology and volcanoes. Classes are held at a variety of sites on Mount St. Helens in southern Washington, location of the Mount St. Helens National Volcanic Monument. We helped the Institute develop a five- and 10-year plan for class and event development, analyze demand for several potential markets, and prepare preliminary operating budgets so as to identify staff, revenue and other needs. We also reviewed and made recommendations for three potential sites for building an Institute facility.

California Sonoma County Welcome Center

City of Rohnert Park,
California

Sonoma County is one of California's premier wine and recreation destinations, also hosting business and convention activity in its urban areas. Because of the wide diversity and geographic spread of the County's attractions, there was need for a central information facility to help guide visitors for day and overnight trips. We analyzed the demand for a facility located in Rohnert Park, on Highway 101 just south of Santa Rosa, to interpret the County's world-renowned wine offerings as well as guide visitors to coastal, river, historical and other attractions. Our work also involved making recommendations on facility configuration and potential operating partnerships. The facility was built and now serves as one of the official California Welcome Centers.

Galveston Island State Park Master Plan

Texas Parks and Wildlife
Department, Austin

Galveston Island State Park sits astride Galveston Island to the west of the City of Galveston and is one of the most popular camping and beach access locations in the greater Houston Metro Area. This master planning project involved completely redesigning the park after Hurricane Ike largely destroyed it in 2008. The new plan provides for camping and beach access as in the past but also adds better natural resource education and recreation capability. For this project Dean Runyan Associates analyzed the historic use patterns of the Park, assessed the market for the facilities it might include, and prepared a multi-phase financial analysis that corresponds with the new facilities and services that the Park will offer. Throughout the project we also offered suggestions for how to best position the park given important demographic, fiscal, energy and other trends.

The Canopy Project

Curry County, Oregon

The Canopy Project is a unique ecotourism attraction proposed for a coastal and old growth forest site on the southern Oregon Coast. The project would involve building a series of lightweight cable and bridge structures that provide walking access to the upper portions (the canopy) of the forest. We studied the market for this attraction and prepared demand forecasts for each of several project configurations, including detailed preliminary operating budgets based on projected revenues and operating costs. We also assisted the design team with specifying the project scope, siting and configuration.

Nevada Gold Mining Interpretive Center

City of Carlin, Nevada

Carlin, located near Elko in north central Nevada, is near one of the largest concentrations of open pit gold mining in the world. These mines, as well as the long history of mining in this area, offer a unique educational and interpretive opportunity. We worked with City staff to identify the market for a museum or interpretive center, investigated options and made recommendations for a site, then prepared a staffing plan and preliminary operating budget. A planning team partner prepared a schematic site plan for the new facility. The City used the report to garner additional financial and other support for the facility.