Town of Mammoth Lakes-Scenario Planning

Community/Destination Strategy Design

Report for Town Council Workshop February 19, 2020

SMGCONSULTING

Strategy and Creativity Matter.

P.O. Box 10109. South Lake Tahoe, CA 96158

Table of Contents

Project Overview 3

Methodology 6

Part 1 Understanding 7

A. The Big Picture. Sustainability 7
B. How did we get here? 9
C. The Town of Mammoth Lakes 13

Part 2 Scenario Development 23

Scenario 1: Status Quo 23

Scenario 2: Destination Management 26

Scenario 3: Destination Balance 31

Part 3: Implementation 35

Project Overview

Visitation to the Town of Mammoth Lakes has undergone major changes in the past decade and the destination has seen significant visitor growth since the 2008 recession. A combination of a strong national and state economy, focused marketing efforts and a variety of outdoor recreation, cultural activities as well as special events has transformed the destination to a point where there is a need to begin to envision the future of how visitation should continue to unfold and be managed.

The past years have also seen the Town of Mammoth Lakes involved in several analysis and planning approaches to a variety of issues, everything from housing to economic development. Moving forward it is prudent for the town to envision a variety of scenarios on how visitation and its impacts on the community could evolve and be managed to balance current and futures needs better.

Visitation in California has changed dramatically over the past decade. As the economy has continued to grow increasing both employment and wage growth more and more consumers are traveling. That combined with California's explosive population growth (estimated at 40 Million and projected to grow to 46 million over the next fifteen years) have impacted many destinations across the state. The impacts have ranged to overcrowding on peak visitation days and seasons to housing issues, employment and more.

The Town of Mammoth Lakes has recognized the need to assess the future to plan for it. Scenario planning is a tool that can be used to consider how to think about what the future of the destination might be and how the town can take appropriate steps to realize preferred outcomes.

Issues related to visitation are being addressed by destinations across the state and beyond in many destination resort communities, Mammoth Lakes efforts would be part of this growing trend in managing peak and non-peak visitation.

To that end SMG Consulting has developed the following planning approach to identify different potential scenarios that best meet the needs of the community and stakeholders.

What are the benefits of scenario planning?

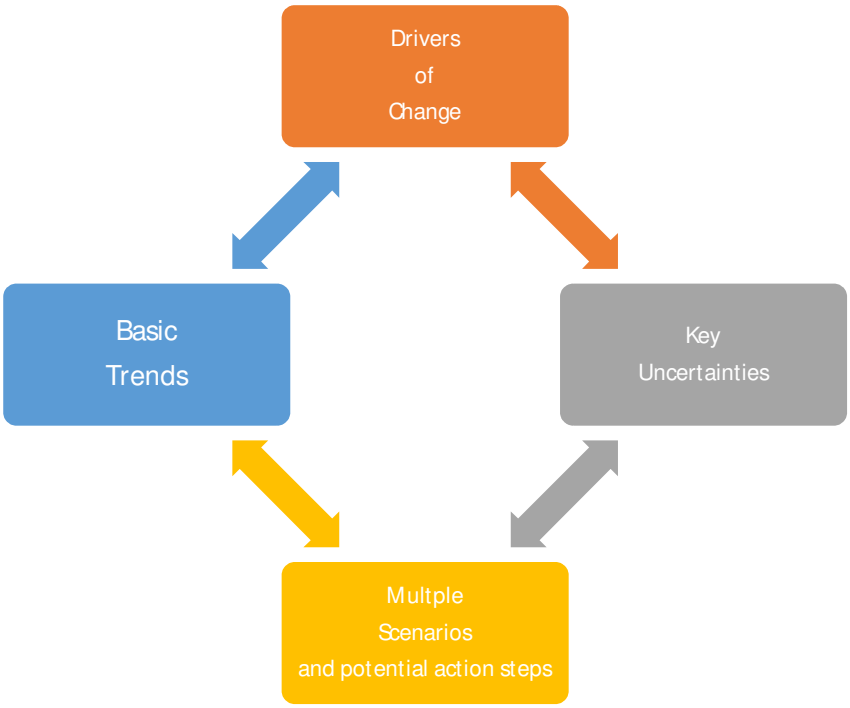
Scenario planning provides a variety of benefits in building a community-wide vision.

- To help manage impacts of significant change in Mammoth Lakes.
- To develop a common framework with which to envision the future of Mammoth Lakes.
- To help manage uncertainty in the dynamics that impact the destination/community.

Our approach was to utilize scenario planning as a tool for the town, the community and tourism stakeholders to assess the impacts of the status quo and the potential in looking at how the destination could be shaped to evolve to an outcome that optimizes the activities and values of the broader community. SMG Consulting developed three different scenarios for the Town of Mammoth Lakes to consider in shaping the future of the destination. The end outcome should be a consensus-based framework for moving forward and proactively addressing the issues and challenges for the community, the tourism industry and the Town of Mammoth Lakes.

Building Blocks for Scenario Planning

The building blocks for developing long-term scenarios for the Town of Mammoth are based on defining the drivers of change that will impact the community, identifying the basic trends from visitation and their impacts on the community, identifying the key uncertainties and from there developing multiple scenarios.



What is scenario planning for the Town of Mammoth Lakes?

For the purposes of scenario planning for the Town of Mammoth Lakes it's important to understand that effective scenario planning balances the knowledge that is known about the Town of Mammoth Lakes to understand the knowledge or information that is not known regarding future impacts.

Specifically, scenario planning for The Town of Mammoth Lakes is identifying a specific set of uncertainties, different "realities" of what might happen in the future to the community.

The key to the success of this approach is building a set of community-based assumptions and getting agreement on those assumptions among council members to help guide the town in the long term. The process to create Town of Mammoth Lakes Scenarios includes the following:

- Identify the focal issue(s)
  In this case the focal issue is how should tourism visitation evolves in the Town of Mammoth Lakes. Should it continue as is or are there some alternative ways tourism visitation should evolve?

- Identify the key factors:
  Once the focal issue(s) has been identified a list of factors will be identified that could affect how visitation evolves.

- Identify basic trends/ opportunities:
  Identify the basic trends that the town is experiencing.
  - Digital 395/ A different kind of workforce
  - New corporate ownership of Mammoth Mountain Ski Resort
  - The sharing economy which has changed the dynamics of the community
  - Air service expansion to Bishop
  - Other

- Identify the Town of Mammoth Lake's Driving Forces

  Identify the driving forces that are impacting visitation and the town. These could include everything from the economy to marketing and understand how these forces will impact the town and the residents.

  - The economy
  - Changes in the ski industry (Ikon vs, Epic Pass sales and their impact)
  - State and federal agency actions
  - Population growth
  - Other, TBD

- Identify critical uncertainties:

  Once the driving forces have been identified prioritize them as to the impacts, they have on the town today and in the future, over a five to seven-year time horizon.

- Develop a range of plausible scenarios for the town:

  The goal is now to form a kind of matrix with your two critical uncertainties as an axis depending on what direction each of the uncertainties will take, you are now able to draw four possible scenarios for the future.

- Telling the story of each scenario
  Tell the story of each of the scenarios in a way that is compelling.

- Implications and options
  Identify the implication of scenarios and the strategic options that arise out of the different scenarios.

- Strategy development
  Scenarios by themselves do not determine a strategy for the council, rather a strategy needs to be developed considering the scenarios that were developed.

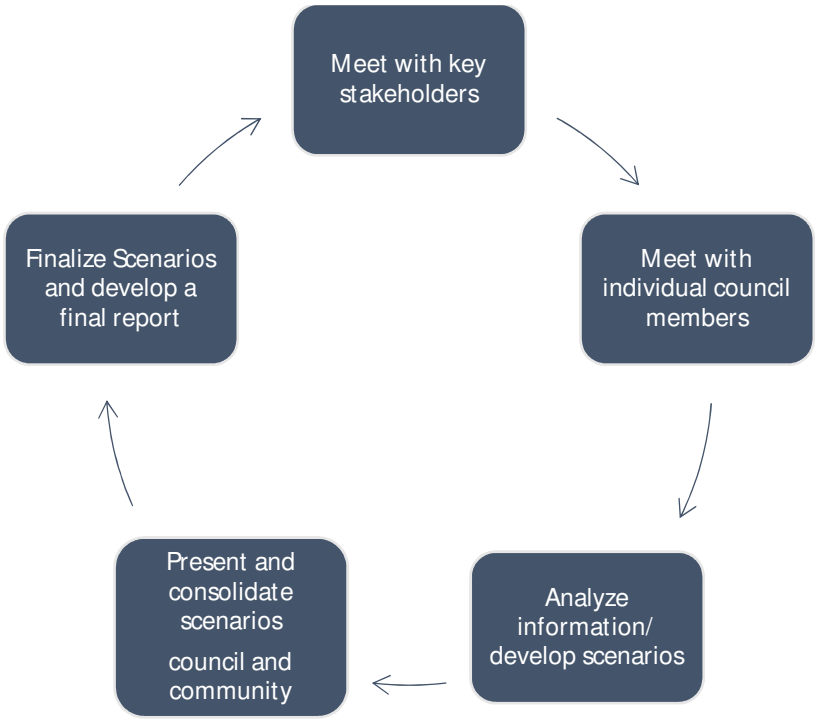
Methodology

SMG Consulting utilized a comprehensive approach to planning to identify the following potential options.

Overview

The proposed process is a holistic process that is designed to surface different scenarios for the council and senior staff to consider and develop strategies.

SMG Consulting Scenario Planning Design Approach



Within this design approach SMG consulting used three important steps they included the following:

- Understanding- This phase includes gathering information and comments from key individuals to asses and understand the situation that The Town of Mammoth Lakes currently is experiencing. This collected information is reviewed and analyzed to understand key themes and trends and information helpful in shaping different scenarios.
- Creating- This phase is the development of actual scenarios that are built on with collected information and assumptions.
- Transforming- This phase is developing the steps to transform the scenarios into policy and action steps in an effort to set the direction for the community.

Part 1 Understanding

A. The Big Picture. Sustainability.

Without a doubt, sustainable tourism is a priority initiative for economic development agencies and destination marketing organizations struggling with the negative effects of over-tourism, especially in rural California. Once considered an ancillary revenue generator a few decades ago, today tourism is a viable revenue generator for California's state and local economies. The community has realized steady growth for eight consecutive years between 2010 and 2018, the California travel industry represented $79 billion or 2.5% of the state's $3 trillion Gross Domestic Product in 2018. Although most travel spending and related economic impacts occur within California's major cities, rural counties with less total employment have a bigger share of travel-generated employment such as Mono County.[1] The economic benefit of tourism is undeniable.

However, while travel spending generates vital jobs and sales and transient occupancy taxes for host communities, unmanaged tourism also produces visitor overcrowding, noise, lack of affordable housing, seasonal and sparse employment, traffic congestion and pollution, gentrification, natural resource damage, and public health and safety concerns. These impacts demand a significant increase in financial and human resources for essential public services for law enforcement, fire agencies, waste management and natural resource protection. Resources are necessary to protect community assets, cultural heritage, and the environment – the hallmarks that make the destination desirable and distinctive.

This expansion of the travel industry has a strong correlation with national socio-economic shifts over the same time period including increased disposable income and wealth, Baby Boomer travelers, multi-cultural diversity and population growth fed by immigrants, and technological advancements that expedite convenience and travel transactions. Not since the 18th century Industrial Revolution, has America experienced such a dramatic economic and societal transformation with the propagation of innovation and capital ventures in automation.

Despite the unintended consequences, tourism can provide significant economic benefits for the destination and through stewardship programs generate funding for crucial conservation projects to mitigate over-use. It's a difficult situation as the travel industry and political leaders work to manage over-capacity issues in order to protect the environment and local community while improving the visitor experience and generating revenue. Tourism is at a crossroads. The growing concerns around over-tourism[2]highlight the increasing urgency for change in the way that tourism is planned and managed. As such, it is imperative that a balance between growing the tourism economy and enhancing the quality of life for residents is achieved and maintained. This requires maximizing travel spending and

[1] 2018 California Travel Impacts, Visit California Dean Runyan Associates
[2] See Appendix 2 for a list of resources on Over-Tourism

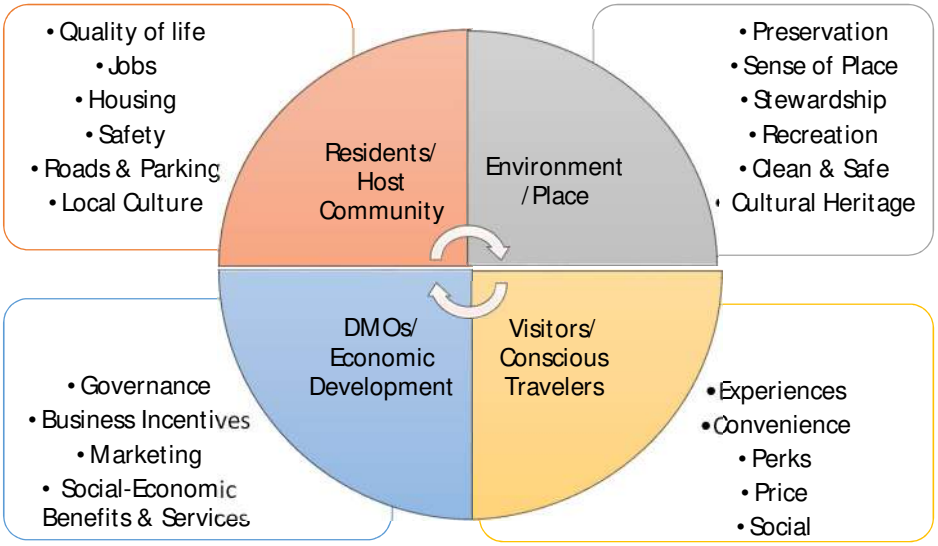
taxes while encouraging responsible behavior from visitors that minimizes their impact on the natural environment and the local community, while at the same time strengthening the visitor experience.

To proactively address these issues is the emergence of sustainable tourism. According to the United Nations World Tourism Agency, sustainable tourism is defined as:

"Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities."

To be successful, the destination marketing organization and political leaders must work with local businesses and residents to participate in the development of a long-term destination strategy and management plan that will motivate visitors to be part of the sustainable approach to minimize the impacts of tourism, and in turn, increase revenues, taxes, and local employment. These objectives are not at odds with each other. It's a matter of finding the right balance over time through ongoing measurements and feedback by the community and visitors. Innovative ideas and solutions that help to mitigate the issues that come with impacts as a result of peak season visitation overcrowding, are essential such as the development of marketing strategies and outreach campaigns that encourage visitation during slower seasons. The goal is to manage the impact of tourism while including visitors in the process so they are made aware of how their behavior can contribute to the sustainability of a thriving and prosperous community and, ultimately a better visitor experience.

Above all, sustainable tourism should work to increase awareness of the leading environmental and social projects, cultural heritage, local business and values that define the destination giving sustainable tourism strategies greater depth and support. Be a curator of localism. Promoting the local culture can provide a more meaningful experience for visitors, raising their awareness about sustainability issues and hopefully encourage more environmentally friendly practices during their visit.



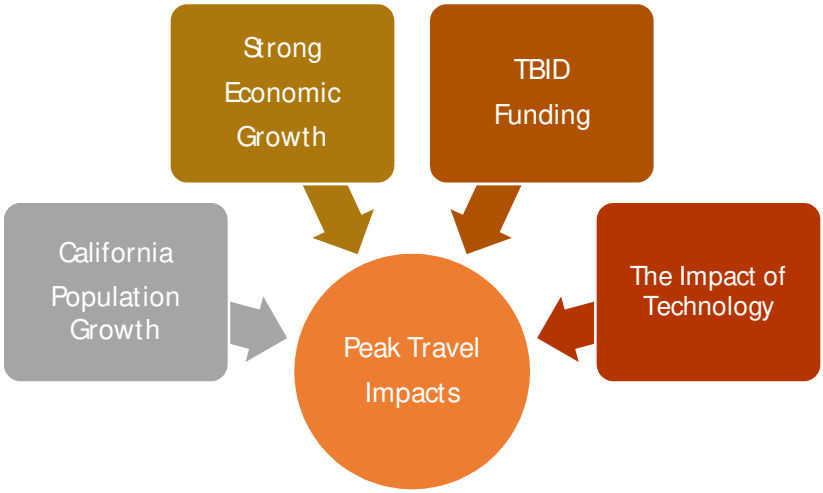
While the principles are easy to understand, the practices may be difficult especially when tourism has reached a critical mass. There are no easy solutions. Over-tourism is impacting destinations throughout

California everything from coastal, mountain and desert destinations, and the west. It's essential to understand the root cause. To be successful, destinations need to fundamentally consider their current tourism model that is creating the underlying impacts and challenging the assumptions of that model — ultimately looking to reduce the footprint while increasing revenue. Work with your community to rethink and reposition your tourism assets in a way to maximize revenues using sustainable principles that seek to manage visitor impacts effectively, and influence their behavior. The goal is to enhance the positive socio-economic benefits of tourism for the destination, the environment, and the traveler while preserving the land and the people for generations to come.

B. How did we get here?

In considering the current peak travel situation that destinations are now facing, it's important to step back and understand what the forces are that are driving this change and impacting so many California destinations. Our analysis identifies three core forces of change driving the current peak travel situation. These include the population growth in the California market, the strong post-recession economy, the growth of Tourism Improvement Districts (TBIDS) as a destination marketing funding model and the impact of technology.

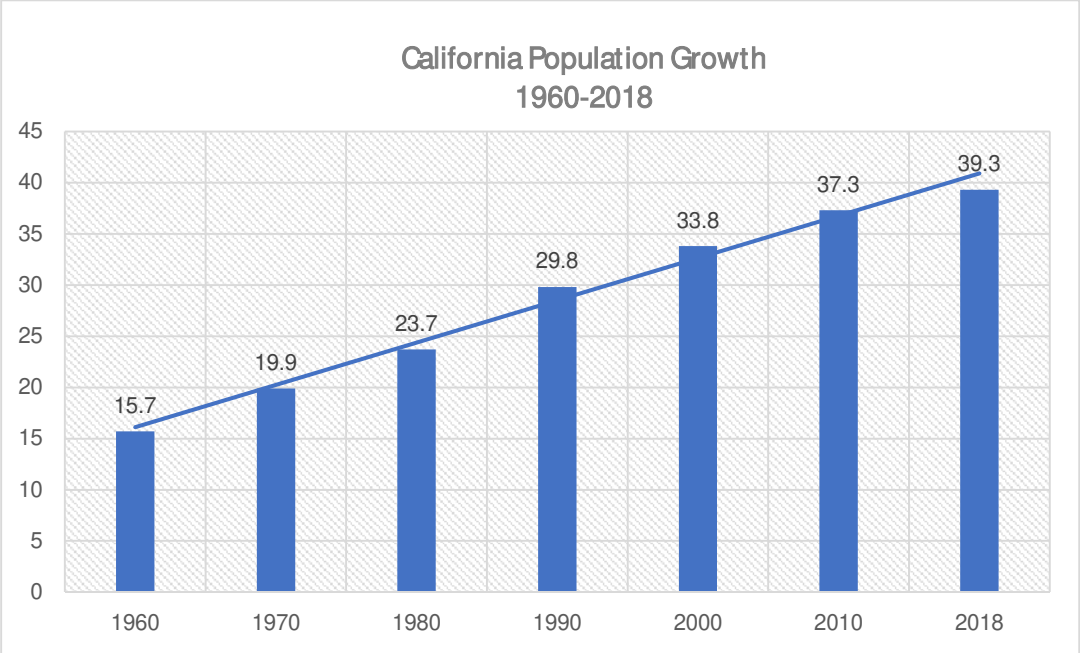
Forces of Change Impacting Peak Travel



These forces of change converging at the same time have worked to produce a situation tourism existing destination models have not seen. To be sure, destinations have experienced traffic, crowding and congestion at certain times during the year but not for as long and intensely as they are currently experiencing. Two of the forces, California population growth and TBID funding, have been slowly growing for years, perhaps unnoticed and all that was needed was a national and state economic boom to create the convergence and the peak travel dynamic destinations are now experiencing.

California Population Growth

One of the most impactful forces of changes is the growth of the California population. This dynamic has two important elements: the overall growth of the California population now nearing forty million residents and the concentration of growth in population areas with close proximity to California tourism destinations. The figure below illustrates the overall growth of California from 1960 and where it currently stands at 39.3 million people.



Source: Statistica

While California is a big state, make no mistake the population is significant, and that population propels the fifth largest economy in the world.

The overall growth of the state, without corresponding increases in access capacity (i.e. roads, parking, housing, etc.), has contributed to the traffic, congestion and crowding issues destinations now face.

Second related population phenomenon is the size of the four largest Metropolitan Statistical Areas (MSA) within California that include the following:

Metropolitan Statistical Areas 2018 Population Estimates

Metropolitan Statistical Area	2018 Population
Bay Area- San Jose, San Francisco, Oakland	4,729,484
Greater Los Angeles- Los Angeles, Long Beach, Anaheim	18,788,800
Sacramento- Sacramento, Roseville, Arden, Arcade	2,482,660
San Diego- San Diego, Chula Vista, Carlsbad	3,095,313

Source: U.S Census

These four regions account for approximately 72% of the California population. Los Angeles in particular has achieved "Mega City" status with approximately 18.7 million people within the greater region. With all of this population growth concentrated within four regions, tremendous pressure is put on tourism destinations that are within relative proximity.

This scenario doesn't end; it keeps going as the California population is projected to grow to 44.1 million by 2030, just ten short years.[3]

[3] Public Policy Institute of California

Strong Economic Growth

A second force impacting Peak Travel is the strong economy. Only a scant ten years ago, the country was mired in a recession that significantly impacted tourism. This situation has changed dramatically. The key economic indicators for a healthy tourism industry are Gross National Product (GNP) growth, personal income growth, low inflation and low unemployment. When these indicators are positive, it creates an economic environment that is conducive and enables travel.

Selected Economic Indicators

	2017	2018	2019
Gross Domestic Product (GDP)	2.2%	2.9%	2.3%
Personal Income Growth	4.4	4.5	4.2
Unemployment	4.4	3.9	3.6
Consumer Price Index (CPI)	2.1	2.4	2.9

Source: California Department of Finance

As can be seen, the indicators above reflect a very strong and robust U.S. economy. Strong GNP growth, which during some quarters exceed 3%, coupled with very strong personal income growth, low inflation and low unemployment, has the national economy in a strong position and that has been reflected in strong demand for tourism in California.

Tourism Funding

A third driving force impacting Peak Travel has been the dramatic increase in tourism promotion funding made available through the creation of tourism business improvement districts. According to Civitas, a key player in the formation of tourism business districts, there are now 110 districts in California generating approximately $284 million in tourism promotion funds.



The effect of this cash infusion has been twofold: Destination Marketing Organizations (DMO's) that had been promoting tourism have more available capital to promote tourism and those destinations that previously had limited or no funding for tourism promotion now have available funding.

The net effect was more competitive destinations allowing for enhanced marketing, sales, special events etc. in a way DMO's had not experienced before. This new funding had a subtle but important change in accountability. With the collection of TBID funds through destination lodging properties, accountability shifted from more passive city councils and county supervisors, who in many cases were not equipped to judge the effectiveness of tourism programs, to a group (often boards of directors with hoteliers) with a keen understanding of marketing looking for clear evidence of a Return on Investment (ROI). This approach has failed to take into account other measures like the overall health welfare and sustainability of the destination.

This subtle but important change had DMOs looking for success and where better to find that success than in regional feeder markets of California residents within two to three hours. These markets had experienced significant California population growth and were enjoying a strong economy. This marketing focus had several important impacts, not only did DMO's drive business overall but business

tended to be weekend business and day visitation. Business increased significantly to the point that traffic and congestion accessing a destination, in a destination, and leaving a destination increased dramatically. The increase is so much so that local residents in many destinations have voiced their concerns and created a significant backlash. In some cases, DMO's have lost public sector funding for promotional efforts as public sector priorities began to shift.

The Impact of Technology

The impact of technology can be seen in several important areas. Technology has impacted destination in two primary ways:

- Airbnb and other online booking technology along with the entire sharing economy has played a significant role in connecting visitors with destinations all over the world and provide a wide set of choices for visitors to consider.

  This change has been significant in that it has transitioned many local residents' areas into tourist accommodations changing the nature and character of residential neighborhoods. These changes include potentially negative impacts like trash, parking and noise which create conflicts with the resident population and often result in a political backlash against tourism and the tourism promotion organization. In some cases the backlash has resulted in ballot box measures by the local community to combat a feeling of unmanageability. The passage of Measure Z in the town of Mammoth Lakes and the City of South Lake Tahoe, Measure T are examples of that backlash.

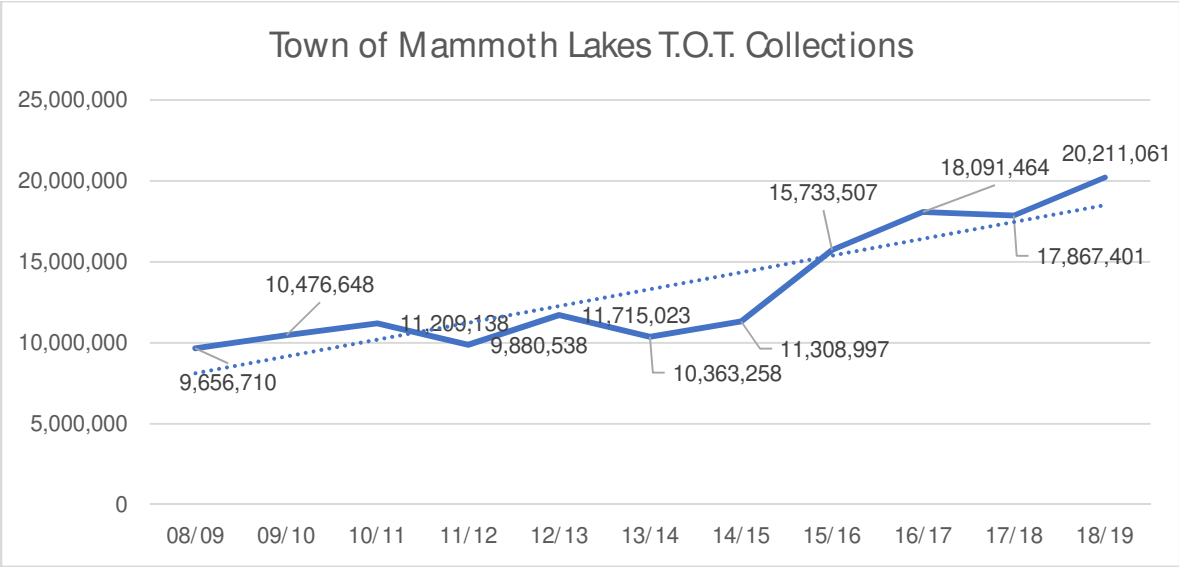
- Social media- While social media has become a powerful marketing tool used by tourism promotion organizations it also has had impacts beyond that use. Visitors often use social media to promote activities they are involved in. Those activities can be in environmentally delicate areas which now have significant exposure and create additional demand sometimes to the detriment of resources. Who can forget the increased exposure selected California destinations received last spring with annual "Super Bloom?" Some areas like Lake Elsinore experienced so much demand local officials were forced to close areas off to visitors.[4]

  Local residents have also found social media a big opportunity to voice their displeasure and organize efforts to stop or minimize the impact of tourism. This in turn has created significant pressure on local politicians to take action.

[4] Super bloom tourists cause small town 'safety crisis' https://www.bbc.com/news/world-us-canada-47615535

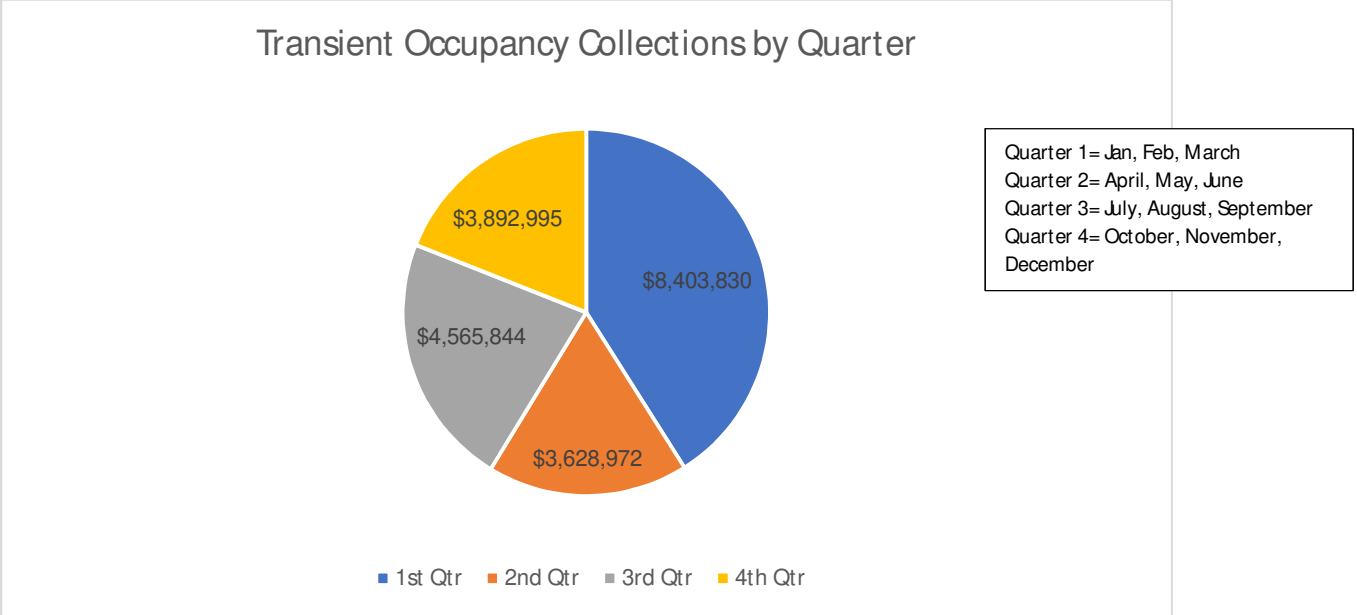
C. The Town of Mammoth Lakes

The Town of Mammoth Lakes located in California's Sierra Nevada mountains has long been one of California's favorite tourism destinations primarily known for Mammoth Mountain and June Mountain ski areas and a wide variety of summer and winter outdoor recreation. Since the 2008 recession The Town of Mammoth Lakes has experienced significant growth with overall transient occupancy tax collection increasing 109% from $9.6M to $20.2M in 2019.



Source: Mammoth Lakes Tourism

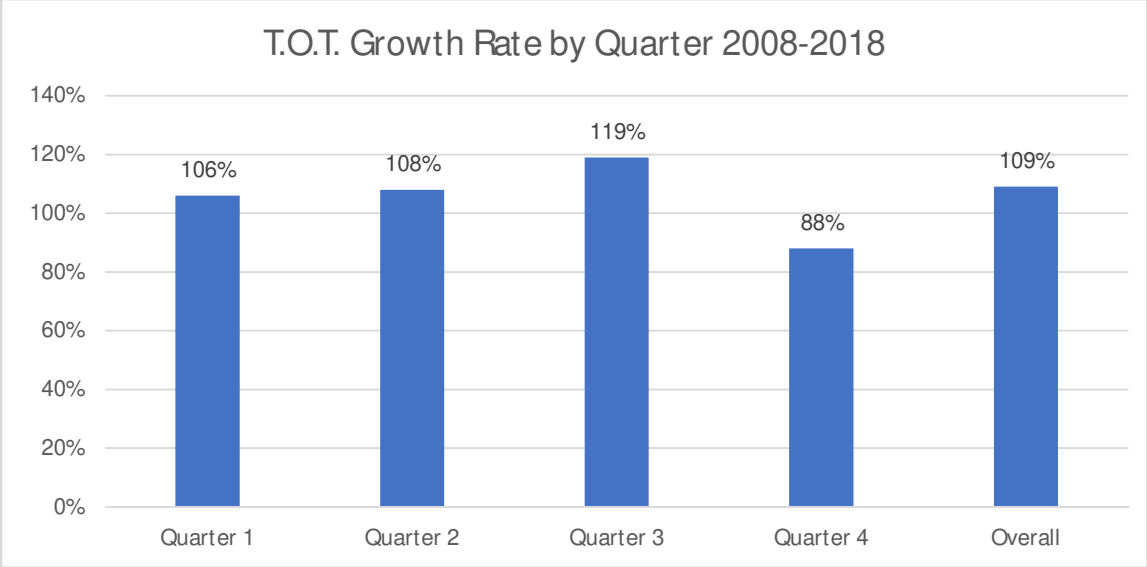
As can be seen tax collections and the casual demand by visitors have been significant over the past decade. What is also interesting Transient Occupancy Collections by Quarter.



Source: Mammoth Lakes Tourism

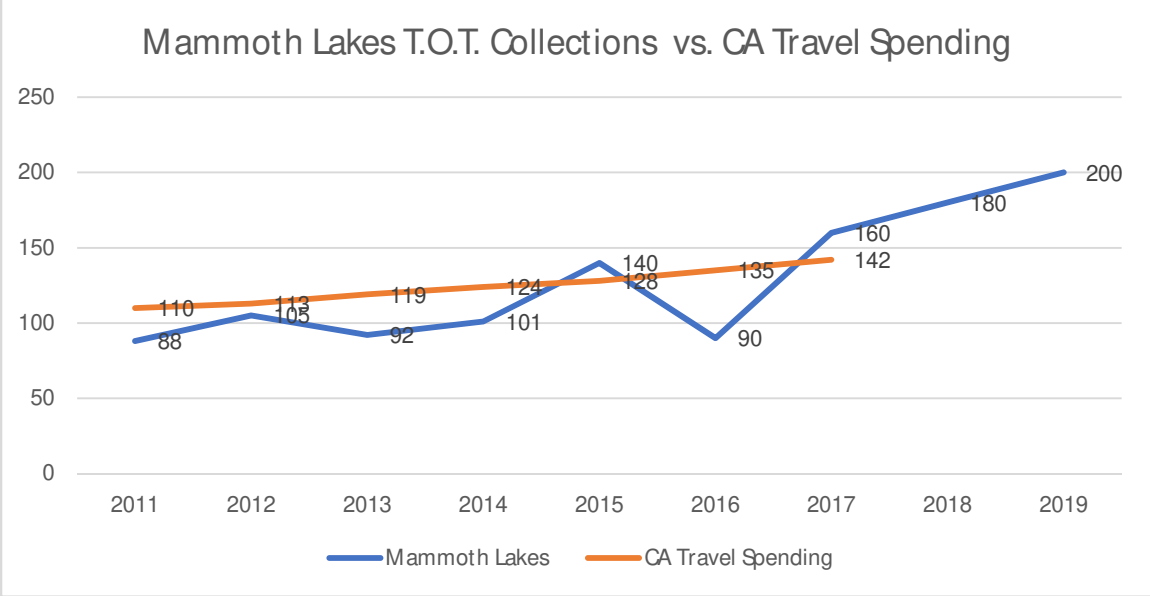
As can be seen the first quarter is the largest generating approximately $8.4 M followed by the third quarter at $4.5M followed by the fourth quarter at $3.8M and finally the second quarter at $3.6M.

What is also worth noting is the growth of transient occupancy tax by calendar quarter between 2008 and 2018.



Source: Mammoth Lakes Tourism

As the figure above illustrated the Town of Mammoth Lakes has experienced significant growth in transient occupancy tax not just in its primary winter season but also in all other seasons. The largest growth in transient occupancy tax collections coming in the summer quarter. It is also important to note the Town of Mammoth Lakes is not alone in experiencing this kind of growth, the figure below is an index of the Town of Mammoth Lakes annual transient occupancy tax collection compared with California travel spending on all items in a destination.



Source: Mammoth Lakes Tourism, Visit California

Additional factors within the town that can impact tourism include:

- Mammoth Mountain Ski Area
  Mammoth Mountain Ski Area which is now a part of the Alterra Mountain Company consortium of ski resorts is poised to increase skier days from current levels to 2 million per season. This will impact the community with increased visitation both peak and non-peak times during the winter/spring season. This would be a significant increase over time and will need to be absorbed within the current infrastructure.

- Vacation Rentals
  Vacation rentals will continue to be a mixed bag. On the one side they offer visitors lodging that is currently not available within the existing hotel supply and as such make the destination more competitive. At the same time, it reduces the available long-term rental inventory that can provide housing for residents. The benefits are the additional transient Occupancy tax collection at the expense of a reduced housing supply inventory which further increases the cost of rents on available long-term rentals.

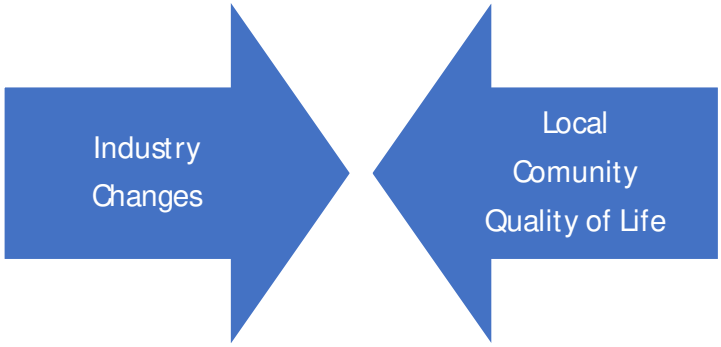
- Labor Supply
  The key to the success of the destination is the available labor supply to service the primary tourism industry. As available long-term housing supply decreases (see above) it has two demonstrated impacts increase labor rates as well as a reduction in the labor force as residents move away because of the challenging economic situation.

- Airport Shift to Bishop
  For the past few years there has been a concentrated effort to develop a regional airport that will serve as an alternative to the Mammoth Airport. This is being done in an effort to reduce the number of canceled flights that now occur at the Mammoth Airport and to provide greater access to a national market in an attempt to diversify away from the areas' primary Southern California market. This to attract longer stay destination visitors with greater economic impact.

- Town of Mammoth Lake Housing
  The Town of Mammoth Lakes recently purchased land within the town to develop affordable/workforce housing. This housing element is critical for residents, the tourism industry and the town alike. It will provide a source of affordable housing for those in the community and alleviate a significant problem that has constrained the community.

- Increased Competition
  Tourism within California has become increasingly competitive over time as municipalities have recognized its importance in generating local taxes. As such, the competition often with increased promotional dollars from a Tourism Business Improvement District will continue to become more intense over time.

The convergence of these broad factors is key enablers that have led to an increased volume of tourism to many destinations including the Town of Mammoth Lakes, which in turn is impacting the local community.



The fundamental issue The Town of Mammoth Lakes and other destinations are facing can be framed around visitors and residents competing for the same space at the same time and the destinations desire to increase revenue and the taxes generated as a result of visitor demand. Many destinations and municipalities including the Town of Mammoth Lakes have gotten used to the taxes and fees that visitors pay, often into a general fund that can be spent on necessary or expected local services, amenities or capital investment without restriction.

**Left Blank Intentionally **

Key Issue Facing the Town of Mammoth Lakes

Interviews with Town of Mammoth Lakes and tourism industry officials have identified a variety of issues both positive and negative the town is experiencing as a result of the increased volume of visitors their destination is seeing not just in its traditional demand seasons (Winter and Summer) but year-round.

This is a complex issue. The problems associated with the overcrowding issue in the Town of Mammoth Lakes vary from alienating local residents to overloading infrastructure and the natural environment. The key issues facing The Town of Mammoth Lakes can be summarized in the following:

1. Some Alienated local residents

Local residents in the Town of Mammoth Lakes voice a variety of concerns including, traffic congestions, rising rents, over-crowded access to recreation areas like Reds Meadow and The Lakes Basin. The crowding to get groceries during a certain time of the year and week. Additionally, the local economy often does not retain all of the visitor spending, large sums leak out, as such it can create a perception that the local community exists to serve larger businesses. In many ways this alienation is felt most prominently by the lack of affordable housing. It should be noted that many homes have been converted to short term rentals to capitalize on the increasing demand for The Town of Mammoth Lakes. As such, the number available for long term rental has diminished reducing the supply of affordable housing while increasing rents.

2. Degraded visitor experience in areas

During peak visitation times the visitors' experience will deteriorate, be it visiting and recreating in The Lakes Basin or shopping for groceries due to long lines, crowding, lack of parking, service wait times due to lack of enough service help which can't find any affordable housing. This can create a negative long-term perspective for visitors that impact future visits and travel spending.

3. Impacted infrastructure

The infrastructure used by visitors to the Town of Mammoth Lakes is the same as local residents as such, visitation adds to wear and tear to the community. Bike trails, recreation activities and attractions are all impacted. Often times these impacts are not calculated into fees and taxes that visitors pay.

4. Impacted and potential damage to the environment

Perhaps one of the biggest challenges and most concerning is the potential damage to the local environment. A number of interviews indicated significant concern with the volume of visitors to The Lakes Basin and Reds Meadow during peak summer visitation. Often times parking is full but potential visitors are not informed until they arrive creating additional travel and vehicle miles traveled further impacting air quality and additional cars on the road. Additionally, the area experiences illegal parking, overflowing restrooms and trash

The majority of visitors are respectful of the natural environment, there are the exceptions, but the reality is increased volumes do create added impacts.

5. Public Safety

Despite the additional revenues created by visitor spending, that spending does not impact the needs of public safety specifically the Town of Mammoth Lakes Fire Protection District which uses a different funding model. The fire protection district is funded using property tax as such, as visitors increase the organization does not see a corresponding increase in revenues which create a challenge between the demands of visitors and the existing capabilities and funding.

6. Impacts to Local Culture

Whenever there are significant increases in visitor volume there are impacts in the local culture of the community. Residents develop a certain flow of life based on the local culture. They develop patterns and rhythm to the Town of Mammoth Lakes i.e. when they shop, where and when they recreate, how they take care of the place etc. Increased volumes of visitors can play havoc with local community culture creating negative perceptions to visitors. As residents are stretched to meet housing needs, often with multiple employment it reduces the time available to invest in community and civic efforts. At every level of the community including the professional level housing constraints make it hard to maintain and attract qualified employees.

It should be noted that despite these issues the town does benefit from visitors through a significant increase in transient occupancy tax collections, sales tax, business revenues etc. These taxes in turn are spent on improving the overall quality of life for residents.

7. Problematic Tourism Business Model

Underlying all of these issues is a more fundamental issue which is the basic tourism model that has been built for decades on growth/more is better calculus. For decades tourism performance has been measured and based on growth and more. Be it increases in spending, tax dollars collected, increases in volumes of visitors and an increase in lodging occupancy and tax revenues.

Destination marketing is often measured in increasing volume, everything from more visitors to the website, advertising click rates to higher occupancy rates and as such the reward and incentive systems for the organization and individuals is set up to reinforce volume growth. It is often easier to focus on peaking the peaks in an effort to generate more revenues and these impacts tend to fall on the broader community local government and the business sector.

At some point this model is problematic. The visitor experience during peak times is diminished requiring additional efforts to attract new visitors vs. repeat visitors. Additionally, higher demand and stress are placed on a diminishing workforce resulting in reduced service levels. There needs to be a conscious shift to not more visitors during peak visitation times to visitation during off-peak times and more importantly a higher-yielding visitor.

Why is this Important?

1. The Social Exchange

At its most fundamental level tourism is an economic development tool for the Town of Mammoth Lakes that generates revenues and investment opportunities, taxes and employment. At the same time there can be negative impacts from tourism including resident's quality of life including crowding, cost of living and changes in local lifestyle and culture.

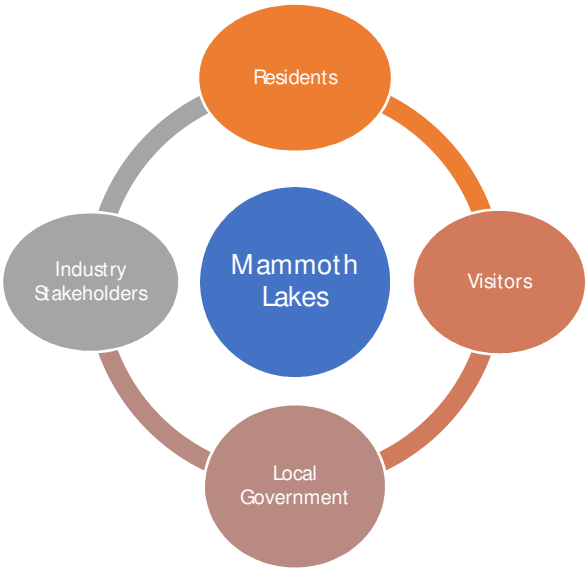
Tourism is reliant on the good-will and support of local residents, as such, their support is critical for tourism development and operations. Providing a consistently high level of service is critical to the overall long-term sustainability of the industry in the Town of Mammoth Lakes.

If local resident attitudes and perceptions are favorable to visitors, they will tend to support additional tourism development and provide a high level of service to visitors. On the other hand if resident's perceptions turn negative, as is being seen more and more in tourism destinations it becomes problematic to the point of impacting the industry.

The roots of this dynamic can be found in basic social exchange theory. Social exchange theory is based on the idea that each individual behavior or interaction is made because people want to exchange goods, services and activities with others. When an individual perceives more benefits than the cost from an exchange it is likely considered positive. In contrast, someone that perceives more costs than benefits is likely to have a negative view. As such resident's satisfaction with tourism is evaluated by the outcomes of their exchanges with employers and visitors.

From a tourism perspective if local Town of Mammoth Lakes residents see the costs and benefits of tourism positively their attitude toward the industry will be positive. It's also important to note that not all residents have a uniform view of the social exchange with tourism in the Town of Mammoth Lakes. Tourism impacts are different for different residents, some may be frustrated with crowding and congestion in The Lakes Basin which inhibits their recreation opportunities while others may be more concerned with the lack of available affordable housing and the cost of housing.

To illustrate this further consider there are four primary entities involved in the social interaction of tourism within the Town of Mammoth Lakes. They include residents, visitors, industry stakeholders and local government. To be successful the needs of all must remain in balance. This balance guided by "the invisible hand of agreement/cooperation©."



When one of the entities takes action or is impacted by an external force that upsets this balance it creates problems with the social exchange and can be detrimental to one or all of the groups. For example:

- A thriving economy and population growth have impacted the Town of Mammoth Lakes on many weekends throughout the year impacting resident's ability to enjoy recreational assets they have been enjoying for years. In some cases, the reason why they relocated to the area.
- The advent of Airbnb as a lodging booking technology that has enabled may long term rentals to optimize revenues by becoming short term rentals and in the process reduce rental options for local residents that service visitors.
- When major corporations export earnings and do not reinvest or invest minimally in the local community.
- When a local government increases taxes and regulatory oversight to a level that negatively impacts investment and potential job opportunities it can cause problems related to organizational effectiveness.

All of the examples illustrate a potential increase in costs above the benefits that disrupts the social exchange experienced in the community. Impacting the optimization that tourism can bring to a community.

It's for this reason that addressing peak tourism is important as the town looks forward over the next five to ten years, in an effort to maintain the social exchange balance and create a win-win for the town, residents, visitors and industry stakeholders.

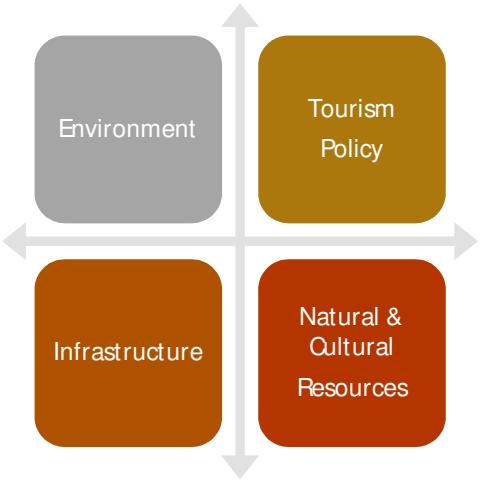
2. Sustainability and competitiveness

The value of tourism in the Town of Mammoth Lakes is integrally linked by the sustainability of the industry and the competitiveness of the destination. Sustainable tourism actions and policies contribute to higher quality tourism experience. A perfect example of this is the bike trail to The Lakes Basin, this capital investment provides residents and visitors alike with a very high-quality experience. At the same time it has invited significantly more use and without policy changes the overall experience will degrade during peak visitation times. As such, a sustainable tourism policy during peak times will need to be assessed and implemented. This will ensure the activity remains high quality which in turn improves the competitiveness of the area.

A local policy that encourages both sustainability and promotes competitiveness maximizes the benefits of tourism for the community by driving more revenue and protecting the asset.

One of the core elements of sustainability is the ability to attract targeted markets that will enjoy and protect the assets of the area, after all, visitors are needed so the benefits of tourism can be achieved for the Town of Mammoth Lakes. Sustainable tourism policy leads to increased destination competitiveness. Overall, sustainable tourism policies lead to authentic and quality experiences.

In terms of the overall competitiveness of the Town of Mammoth Lakes as a destination, competitiveness is often viewed through four key perspectives.[5]



These elements all work together to provide a destination tourism system that is comprised of hundreds of players and actions that all work independently to benefit individually and work collectively to provide a tourism experience. It's the management of this system that determines how tourism will evolve within Mammoth Lakes. Within the town of Mammoth Lakes the characteristics of this system include the following:

- A variety of public and private sector organizations and residents/employees etc. that all work independently.

[5] Sustainable Tourism Model, Columbia Perdue partnership

- Not all players in the Mammoth Lakes tourism system have direct control over the system. For example, Mammoth Lakes Tourism may control destination level marketing but no other parts of the system. The lodging industry may control overnight accommodations but not transportation. Mammoth Mountain Ski Resort and the Forest Service may control significant recreation elements but no other elements. The Town of Mammoth Lakes may provide municipal services and tourism funding, but it also has no control of the overall system. No one entity has control over the system. There is no one in charge of the system but rather it's a collection of networks and its critical to maintain and foster collaboration within them. The visitor is also an unknown factor as they make a variety of travel choices.

  It is through an agreement on the direction and the scenarios that provide the overall management of the system which all the participants will direction and focus and benefit individually and collectively for the community.

** Left Blank Intentionally **

Part 2 Scenario Development

Overview

Each of the following scenarios is designed to illustrate how the Mammoth Lakes tourism system can be influenced and shaped. Scenario 1 does not employ sustainable policies and as such it relies on current market forces and individual stakeholder responses. It is anticipated this scenario will reduce the level of competitiveness of the destination and value to the community over the long run. The other two scenarios focus on the implementation of sustainable principles but are very different in their magnitude and timing to full implementation. Scenario 2 seeks to manage the current situation while Scenario 3 addresses a change in the fundamental supply and demand economics of the destination and to bring it into a better balance.

Scenario 1: Status Quo

When we think about the concept of the Status quo it refers to the "existing state" of a current situation. Status quo is contextual and it could be seen from a negative or positive perspective. *Status quo* could be seen in a negative light, for example; When people want to maintain the status quo, they are often resistant to change. In this case of tourism impact and evolution in the Town of Mammoth Lakes the perspective is seen from the current situation as having negative impacts on the local community and is not sustainable. This despite the fact that the current situation has had financial benefits to differing degrees within the community. The Town of Mammoth Lakes and the private sector have done well and while wages have risen for those that service visitors, wages have not kept pace with significantly increased costs of living primarily in housing, including the lack of housing which is a limiting factor for the workforce.

Scenario Characteristics:

Scenario characteristics include the following:

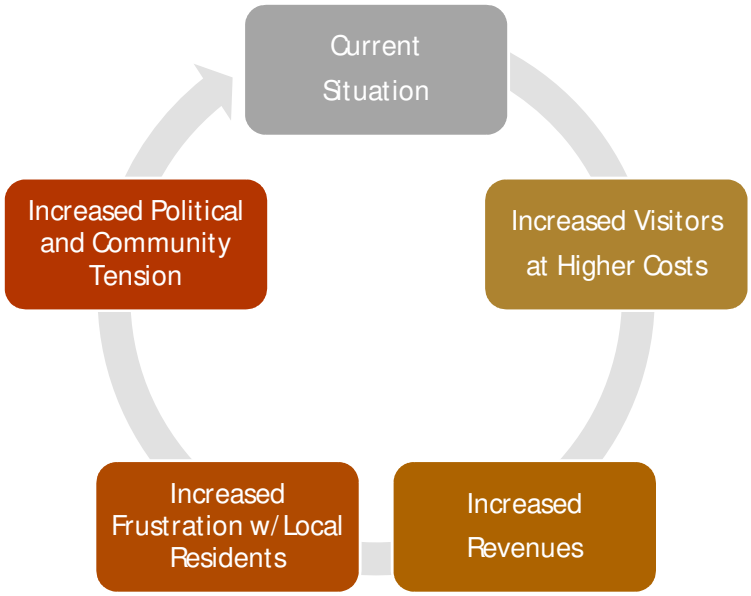
- Potentially leaves the Town of Mammoth Lakes more vulnerable to the national and state economic cycle. Tourism marketing efforts are highly concentrated in Southern California with primary visitation on weekends, holidays and in specific season(s).
- The quality of the experiences will continue to diminish during peak times, Traffic, Congestion and crowding will continue to be a challenge for visitors and residents further stressing the social exchange between all elements in the community.
- With no new hotel lodging infrastructure Airbnb (and other similar services) will continue to strip out hotels and create submarkets of both good and less desirable lodging units, further reducing the supply of housing for local residents which in turn increases rents.
- It is anticipated that Alterra Mountain Company will look to increase skier days to approximately 2 million which depending upon peak demand times and levels may exacerbate the current limitations. It will be critical to program new skier days to non-peak season and days of the week.
- The status quo will continue to stress-protective services without corresponding increases in the budget.

- The status quo limits resident's access to recreation during periods of time that correspond with peak visitation.
- Rates will increase without corresponding private investment which further exacerbates the situation overall diminishing the quality of the experience.
- The status quo continues to increase tension between residents and visitors that will manifest itself in the political dynamics of the town. This could invite community-driven ballot measures etc. to address the issue risking a further divided community.
- The status quo continually impacts the local environment with crowding, trash, diminished experience etc. Diminishing the very experience visitors and local residents care the most about.
- Continued exportation of revenues by businesses while potentially not investing in critical community issues can further diminish the attractiveness of the destination.

The challenge with the status quo is the risk of external market shifts which the town has already experienced (as has been outlined previously), rendering the town's historical strategies, business models and operations unable to grow, or even maintain revenues and profits. Destinations rarely fall into challenges because they stop being good at their key success factors. Rather the external markets shift which the town has experienced begin to reduce the value of those key success factors. Doing more of the same will not improve results

The status quo scenario assumes a continuation of "what is" that includes increasing levels of visitation, reduced visitor experience, resident frustration, specifically around the issues of housing and congestion and use of recreation facilities. At the same time the status quo could enable increased revenues for tourism industry stakeholders and tax revenues for the town, at least in the short term. This situation could further create divisions between residents and other elements of the social exchange. Overall the status quo may lead to what is called a non-virtuous cycle in which negative elements continue to build on each other.

Potential Status Quo Cycle



This scenario has its pitfalls in both the short term as it exacerbates all the problems local residents are concerned about threatening the social exchange between them and the industry and it reduces the competitiveness of the destination. Ultimately the status quo does allow for optimizing short term benefits both to the industry in the form of revenues and to the town in the form of taxes. However it negatively impacts the local community in the form of reduced housing for local residents and higher rents as well as, potentially degraded amenities and experiences.

Additionally, the status quo does not embrace sustainable tourism policies and as such will ultimately reduce the destination's level of competitiveness.

At the end of the day it's doubtful the status quo is sustainable. The bigger question is how it changes and how long it takes to change. Will there be a recession that changes the economic dynamics of the town? Will the tension experienced in the community manifest itself politically with a change in the town council? Will residents finally reach a point where they begin to look elsewhere for a better opportunity and leave? None of these is an optimal situation for the good of the whole community but any one or all of them could be realized in a status quo scenario.

** Left Blank Intentionally **

Scenario 2: Destination Management

Destination management is a relatively new concept that seeks to coordinate the management of all elements and experiences that make up a destination. This could include local attractions, amenities, access, marketing and pricing. Destination management takes a broader strategic approach in linking these different elements entities for the better management of a destination in an effort to strengthen the social exchange between all elements of the town. Destination management goals could include the following:

- Maintain and/or strengthen the economic vitality of the town
- Continually improve local resident quality of life
- Always protecting the environment
- Continually improve the visitor experience

The challenge with this destination management scenario is that it does not address the fundamental business model that the Town of Mammoth Lakes has. It only seeks to manage the current imbalance of the supply and demand of visitors at peak times it does not address the underlying economic model itself "head-on."

Objectives

The destination management approach includes the following objectives:

Always protecting the environment

- Community-wide education for businesses and local residents on the destination goal of sustainability.
- Educate visitors on the need to be sensitive guests while visiting the town and the region.
- Implement programs designed to minimize visitor impacts.
- Monetize visitation to support environmental programs that cause visitor impacts.
- Effective education and outreach to influence residents to act with stewardship in mind.

Maintain and/or strengthen the economic vitality of the town

- Identify ways to fill non-peak seasons/days of the week in an effort to maximize overall revenue.
- Create/promote off-peak time activities to shift demand.
- Expand and promote activities outside of traditional high demand areas.
- Develop strategies to attract higher worth visitors.

Continually improve local resident quality of life

- Develop local affordable housing in an effort to attract employees to provide great service and great visitor experience.
- Utilize technology to reduce traffic/crowding and congestion including signage to communicate parking availability etc.

- Educate residents on the role tourism plays in the local economy AND in providing services for an improved quality of life.
- Utilize supply and demand analysis to assess the need for additional housing and the potential impacts on residents.
- Explore the potential to limit short-term rentals of housing units.
- Look for opportunities to reduce tourism impacts on the resident population including:
  - Noise pollution
  - Air Pollution
  - Traffic and congestion
- Local decision making- Look for ways to have the local community shape decisions.
- Improved public safety as a result of increased visitation.

Continually improve the visitor experience

- Develop strategies to disperse visitors to lesser used areas to reduce congestion and demand.
- Educate visitors on using sustainable practices.

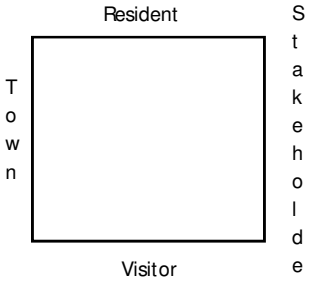
As you can see from these objectives this scenario does seek to strengthen the social exchange with residents and utilize sustainable principles thus improving the long-run competitiveness of the destination.

Scenario Characteristics

It's important for all of the stakeholders to have a sense of what this scenario could look like and what would be some of the characteristics

Overall Characteristics

- Continued visitation from core Southern California markets
- The beginning shift of visitation during non-peak season
- Stewardship programs of the environment
- Increased revenues and taxes
- Infrastructure (Federal, State, Local and Private Sector) stress due to increased visitation



Visitor Perspective

1. Continued existing lodging infrastructure which is primarily older lodging infrastructure with the potential for new units.
2. Access to outdoor recreation. Visitors will continue to visit and access recreation with crowding during existing peak times and additional uses as non-peak demand visitation builds.
3. Shopping and dining offerings are maintained at current service levels and possible decline due to limited workforce and staffing levels due to pay etc.
4. A mixed level of service depending upon specific businesses the morale of their employees.
5. Better destination access through the improved air travel experience. Visitors need to be able to access the Town of Mammoth Lakes beyond using the automobile. Air access that attracts visitors from destinations throughout the country and those that will stay longer and spend more are critical to non-peak time revenue growth.

Resident Perspective

1. Affordable housing. In this scenario residents will want and need workforce and affordable housing.
2. Better managed recreation assets during peak time frames. Residents will also appreciate better-managed recreation assets that are not always overcrowded.
3. Exiting shopping choices will be maintained along with challenges for local residents.
4. Limited employment growth and opportunity.

Industry Stakeholder Perspective

1. Increased revenue based on continued demand for peak times as well as off-peak demand growth.
2. Sustainable year-round workforce. Industry stakeholders will require a more sustainable workforce.

Local Government Perspective

1. Increased tax collections. Local government will benefit from increased Transient Occupancy Tax, property tax and retail taxes enabling them to more effectively manage the needs of their workforce and the community quality of life programs and services.
2. The long -term financial picture stabilizes.
3. Enhanced opportunity for home/office mobile workforce.

Implementation

In order to implement a destination management scenario, it will be necessary to include a more economic model-based approach to evaluate different strategies effectively. Currently the town does a really good job of tracking the economic results of tourism, primarily through transient occupancy tax collections but has not utilized economic modeling to develop different tourism scenarios which in turn identify potential strategies that seek to optimize revenues while minimizing visitor impacts. Currently the Town and Mammoth Lakes Tourism does not have a visitor count. As such, its ability to look at the issue of peak tourism from a granular level is limited. There does not currently exist town-wide visitor counts on an annualized based, peak visitor day counts etc. Currently metrics for this kind of measurement are limited to Mammoth Mountain skier days, trail counts and hotel occupancy.

Tourism economic modeling would open the door to what-if scenarios and the economic impacts of each scenario and using variables to identify ways in which to implement scenarios creatively.'

1. Economic Modeling

A. Develop a Baseline Economic Model
   Develop baseline model assumptions. Identify what the current tourism economy produces in terms of revenues, employment number of visitors, travel spending, source of visitation visitor worth, length of stay, lodging, taxes based on the current mix of visitors, etc.
B. Model Iterations
   Develop visitor mix models that provide insight and projections into how the destination could generate more visitor spending while reducing the number of visitors. Model iterations could

include changing the percentage of visitors arriving from destination markets vs. drive markets, as well as other yet identified variations. Modeling could also help understand what peak days look like and how to manage visitor demand, pricing and revenues at say the 80% level of peak demand while maximizing revenues.

2. Model Impact Analysis

Based on the model outcomes in , the best scenario(s) can be assessed to effectively address the potential impacts identified in the first phase of the process.

- What would fewer visitors with a higher economic impact effect mean to the destination?
- What would a greater share of air arrival visitors mean in terms of travel spending?
- What are the specific opportunities to spread demand through different times of the year and times of the week and different user points of interest?

Stakeholders can review the different modeling scenarios to identify the best options.

3. Strategy and Policy Development

Based on the results of the modeling develop destination strategy options. Strategy option areas include:

- Reduce visitations (and footprint) and increase revenue.
- Reduce demand for peak seasons; shift demand to non-peak seasons.
- Supplant existing weekend demand with destination visitors in order to reduce Sunday exit traffic. (See Cal Trans for traffic counts)
- Identify strategies to disperse visitors to different parts of the area.
- Identify strategies to integrate non-auto transportation, *i.e.* micro-transit
- Others TBD

Policies and consumer marketing communication programs developed from the review of different strategy options include the following:

- Develop a sustainable tourism strategy and model that integrates existing stewardship programs, local culture, and community values.
- Develop a strategic consumer marketing program that leverages "No Small Adventure" to motivate desired stewardship behavior from existing segments, as well as targeted conscious travel market segments.
- Develop recommendations related to air service, workforce and housing issues that leverage identified sustainable tourism model.
- Develop policies at the DMO and partner organizations that support identified strategies and marketing communication programs.
- Ensure local tourism benefits, especially through skilled jobs and participation of locals in tourism development.

- Take local stakeholders seriously and involve them.

Understand how the strategies can impact the broader issues of the community including housing and workforce development, transportation, etc.

Examples:
The following examples are provided to generate ideas at the local level. Recent articles identify a number of policy-level steps that are being taken at the local level.[6]

1. The Park Service is limiting visitation to the Statue of Liberty due to overcrowding.
2. The City of Venice is restricting visitors from local areas.
3. The City of Amsterdam is only targeting higher-value visitors.
4. The country of New Zealand has implemented a levy on visitors to help fund activities to mitigate the impact on local culture.

In addition, destinations are implementing a variety of programs to mitigate the impact of traffic and crowding as well as leverage visitors to be a part of funding programs designed to support sustainable efforts. The appendix section of this report has some samples of those efforts.

4. Supporting Ordinances

It is important for the Town of Mammoth Lakes to review its ordinances to be sure they align with the destination management goals and objectives.

- Review policies i.e. should the town permit special events in high season (be issued)?
- Explore the potential of restrictions on certain tourism assets within the town that might be damaged by overuses. Work with other agencies (the Forrest Service) to assess and support the same.
- Continue to build on the existing mandatory fee-based bus with additional potential fees to access The Lakes Basin and Reds Meadow as a management tool.

5. Visitor Education and Engagement

In the same way the destination educates visitors in an effort to attract visitors it is important to educate visitors once they are here so they can exhibit behaviors that complement the destination.

- Support local businesses. Encourage visitors to support those businesses that will retain their earnings with the town, thus strengthening the local economy.
- Respect local residents- Encourage visitors to respect local residents and the community.
- Respect local culture-Understand and respect the local culture including local stewardship of the natural resources.
- Respect the environment and have a minimal impact.
- Travel off-peak and minimize the impact of peak visitation on the local community.
- Make visitors ambassadors in an effort to protect the area resources.

[6] Forbes, How cities around the world are fighting over tourism

Scenario 3: Destination Balance

In considering a strategic approach to confront peak travel and tourism destination sustainability issues, SMG has developed a hybrid approach that includes both elements. This new model "More Revenue, Less Footprint" is designed to transform a destination to achieve a different endgame than currently exists. One that best meets the needs of all stakeholders. This approach is based on a set of core principles that include the following:

Core Principles:

1. The goal is to deal with the underlying problem of peak tourism and to identify the solution(s) that address that issue.
2. The endgame is one that satisfies residents, tourism stakeholders and visitors.
3. A key outcome is sustainability for the destination.
4. DMO's are best suited for tourism promotion, and other organizations and agencies within a destination may have more expertise in solving elements of the challenge.
5. There is a commitment to the overall concept of "More Revenue, Less Footprint."
6. Solutions are developed from the ground up and involve a wide range of the community.

The Underlying Strategy

One could characterize the current state of peak travel as being out-of-balance, or not in a state of balance. What destinations are trying to do is achieve a state of balance in which the negative impacts on the community are reduced, while maintaining or increasing stakeholder revenue (and taxes) and improving the experience for both the visitor and the residents. "Balance" is when you have the proper balance between tourism revenue and tourism impact.

Some destinations seek to maintain a balance between visitors and revenues by increasing visitors which in turn also increases spending. This destination model is becoming unsustainable as destinations reach and exceed their carrying capacity, in some cases 30-40% or more during the year creating conflicts and diminishing resident's quality of life.

"Tourism Carrying Capacity" is defined by the World Tourism Organization as "The maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic, socio-cultural environment and an unacceptable decrease in the quality of visitors' satisfaction".[7]

The desired model is driving tourism revenue by increasing revenue/per/visitor hopefully to the point where volume is flat or reduced. This strategy is based on an increase in revenue per visitor that generates more revenue from a flat or reduced number of visitors.

As one can see, a true solutions orientation approach really seeks to deal with the underlying tourism supply and demand business model and goes far beyond just destination management programs. This strategic approach has two important outcomes; 1) that tactical programs alone can't achieve long term increased revenue and 2) taxes and the ability to maintain/improve the quality of life for local residents.

[7] World Tourism Organization

Scenario Characteristics

It's important for all of the stakeholders to have a sense of what this scenario could look like and what are some of the characteristics.

Overall Characteristics

- Fewer visitors during peak season that spend more.
- Visitation during non-peak season
- Stewardship of the environment/destination
- Increased revenues and taxes
- Quality infrastructure to match the environment

Visitor Perspective

1. Quality and variety of lodging. There have been no new lodging development projects in the Town of Mammoth Lakes in a number of years. Th Town of Mammoth Lakes has a wide variety of lodging including hotels, motels, property rentals and campgrounds. What it lacks is upscale hotel lodging that positions the destination to attract higher-spending visitors. This in turn will serve as a new and higher pricing umbrella for the destination and with other amenities increase pricing throughout the town which in turn will reduce some price-sensitive visitation.
2. Access to outdoor recreation. Visitors will want managed access to outdoor recreation assets that will provide an improved experience. Reduced crowding and a higher level of experience will be expected.
3. Shopping and dining offerings. Increased variety and higher-end shopping and dining experiences.
4. A higher level of service. Along with a higher quality of lodging visitors will want to experience a higher level of service that comes from high morale, well trained and sustainable workforce.
5. Better destination access through the improved air travel experience. Visitors need to be able to access the Town of Mammoth Lakes beyond using the automobile. Air access that attracts visitors from destinations throughout the country and those that will stay longer and spend more are critical to non-peak time revenue growth.

Resident Perspective

1. Affordable housing. In this scenario residents will want and need workforce and affordable housing. There is little chance the destination can go more upmarket without a high morale workforce and housing is the key element.
2. Better managed recreation assets during peak time frames. Residents will also appreciate better-managed recreation assets that are not always overcrowded.
3. More shopping choices for locals including grocery stores. Local residents are also keen for more shopping choices. Top on the list is more grocery shopping to reduce the shopping times during peak visitation. Also, shopping choices that minimize the need to have to travel to Carson City and Reno or South to greater Los Angeles County.
4. Improved employment growth and opportunity. Residents will want improved opportunities for their own growth both financial and personal.

Industry Stakeholder Perspective

1. Increased revenues. Industry stakeholders will want to be able to increase revenues and profits that can be used to reward risk capital and for further capital reinvestment to improve the quality of the experience.
2. Sustainable year-round workforce. Industry stakeholders will want a more sustainable workforce to provide a higher level of service and reduced hiring and training costs.

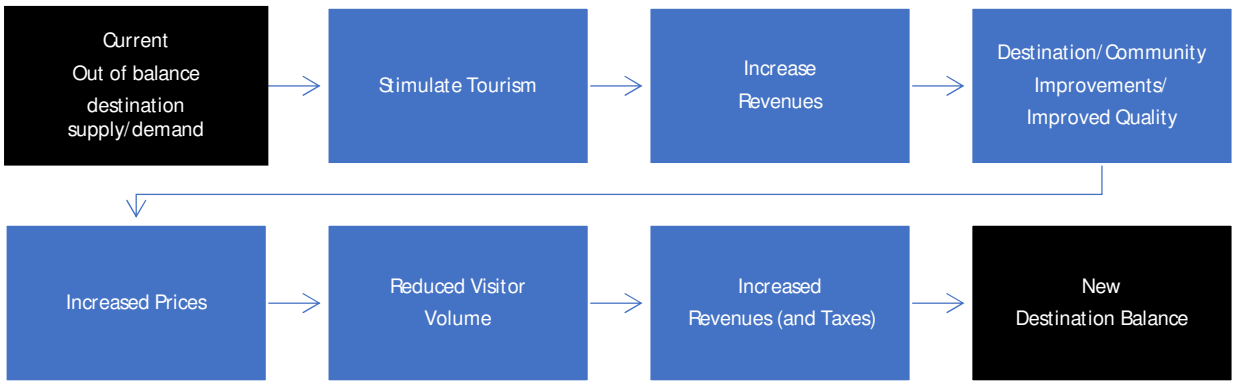
Local Government Perspective

1. Increased tax collections. Local government will benefit from increased Transient Occupancy Tax, Property tax and retail taxes enabling them to more effectively manage the needs of their workforce and community quality of life programs and services.

Implementation

An important factor for a destination out-of-balance and seeking balance is continually improving the quality of the experience to justify higher prices. By using tourism-driven tax revenue and private industry profits to significantly improve the guest (and resident) experience you build positive word-of-mouth and increased desirability. That in turn stimulates demand.

Destination Transition to Balance



Implementation steps

1. Develop a vision of what this scenario looks like: What would the end results look like and what are the destination characteristics the town would want to have?
2. Identify infrastructure projects that will enable the community to move up marketing specifically lodging and recreation projects.
3. Support Programs identified in Scenario 2 that will improve the overall management of the destination.

One of the basic fundamentals is that when demand exceeds capacity as is the case with "peak tourism" you either increase capacity or you raise the price in an effort to reduce demand in an effort to match capacity without reducing revenue or better yet while continuing to increase revenue — thus the basic "supply and demand" theory.

You'll know your destination is reaching "balance" when you see destination desirability increasing, visitor volume dropping but visitor-driven revenue increasing significantly. *That's the destination sweet spot. It can be dynamic and changing and the price value proposition must always be redefined. Visitors will pay more but it must include a great experience.*

Another critical concept is that of replacing lower-revenue-generating guests with higher-revenue-generating guests. While controversial, this approach is critical to the success of overcoming "peak tourism" without losing the economic engine that makes a destination a desirable place to live and work and visit. Equally, it is crucial that a destination develops a housing stock that meets the needs of the community. It makes no sense to have housing that is not adequate for the resident population. As such, workforce housing must be part of the strategic discussion of a new destination balance.

A key metric to monitor success is "revenue per visitor." That number MUST go up and the only way you achieve that is to make the guest experience better and ultimately charge more for it. Part of making the guest experience better is to reduce crowding. But you can't reduce crowing at the expense of revenue or you kill the goose that laid the golden egg. It's a long but deliberate process. Everyone within a destination needs to get behind it. Everyone needs to be focused on improving the guest experience through private investment, through public investment and through public/private partnerships.

"More Revenue, Less Footprint" Destination Model

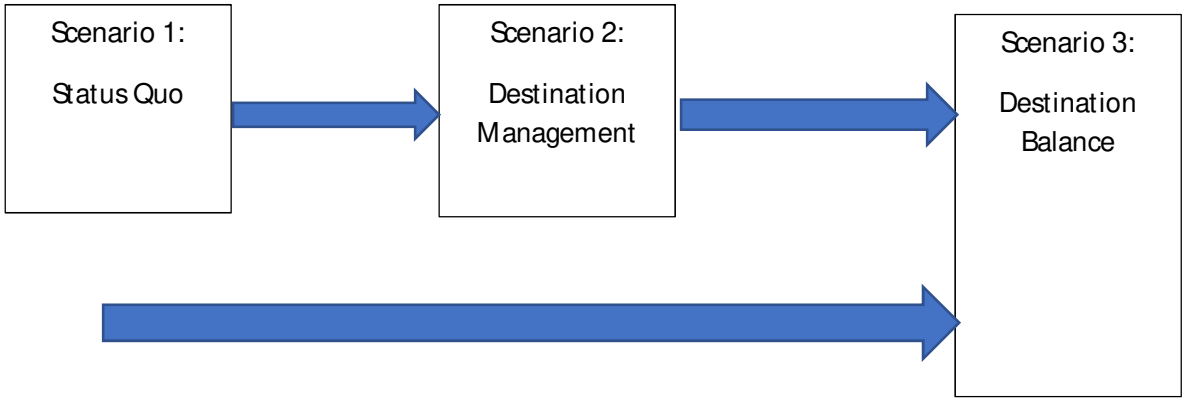
The More Revenue, Less Footprint" destination model consists of two elements as has been outlined, strategic level elements and tactical (destination management) level elements. Currently many DMO's have concentrated efforts on tactical destination management strategies. In fact, many have commissioned extensive destination management plans. It is our belief that these plans may in the short-term solve some issues but over the long-term they will fall short. Why? Because ultimately, they only deal with the symptoms. They may initially assuage local ire overcrowding and congestion but ultimately by not solving the inherent problems of the existing economic model they risk even more local anger. However, destination management strategies can play a role in the overall solution.

In contrast, the focus on the strategic level elements of the model is designed to deal with the underlying problem of too much visitor volume. The strategic level elements are also designed to shift destination demand to attract higher-spending visitors and reducing the overall number of visitors as well as spreading out visitors to lessen impacts and increase overall revenues.

The model starts with the end in mind and asks a basic question what is the endgame and what does it look like from the perspective of all concerned? Until that question is answered it is near impossible to find a solution. It is also important that the question is asked and answered by a broad range of stakeholders not just those from the tourism industry.

Part 3: Implementation

The Town of Mammoth Lakes can choose to implement any of the three identified scenarios, they can also blend them or implement them sequentially or simultaneously.



Scenario 1: Status Quo

The status quo does not require any specific implementation as this scenario is already in place. By its nature the status quo scenario will continue to make minor "symptom-based" changes. Stakeholders need to be aware that this scenario probably has a short life and at some point will increasingly turn to a political solution to change the situation.

This scenario is not sustainable over the long run though it could be prolonged with the advent of a recession which will reduce demand for visitation and reduce visitor volumes and ease housing shortages and demand for recreation areas for the short term.

Scenario 2: Destination Management

Scenario 2 can be implemented as a stand-alone scenario of a phased approach to implement Scenario 3 eventually. Implementing this scenario would include the pertinent elements of the community and identify which organizations can be responsible for which element of a destination management approach.

- Mammoth Lakes Tourism can take the lead in visitor economic modeling, developing marketing approaches to non-peak time frames as well as educating visitors to stewardship in the destination.
- Stakeholders can implement their own sustainability programs depending upon if they are a hotel, restaurant, lodging property or other.
- The Town of Mammoth Lakes can review policies to be in line with the goals of destination management.
- Visitors can be educated to change their behavior to be more responsible for the local community and environment. They can also be tapped to help fund specific environmental programs/infrastructure. (Including parking, restrooms and trails.)
- The local community can be engaged to participate in appropriate programs either individually or through community organizations.

Scenario 3: Destination Balance

As was mentioned above, Scenario 3 can be implemented as a stand-alone scenario or as a phased approach that includes Scenario 2. This scenario would include identifying key public and private infrastructure projects that can be implemented to change the appeal of the community. This would include identifying projects, developers, funding etc.

This scenario will not be able to be implemented without affordable and/or workforce housing. Without workforce housing it's hard to see how the destination can provide the level of service that will be needed to sustain a higher quality experience or even the current experience.

The town will need to take a leadership role in identifying the type of projects that can bring about the desired changes as well as marketing potential opportunities to developers,

** Left Blank Intentionally **

Appendix 1: Sustainable Examples

Santa Monica

Santa Monic has adopted a sustainable tourism program that includes the following; Banning single-use plastics, sustainable hotels, having the ability to go car-free, sustainable restaurants and selected places in the city that are green neighborhoods. This approach is designed to try and minimize visitor impacts on the local community and environment.



Bend Oregon

Bend Oregon has implemented the Bend pledge which asks visitors to take a pledge to exhibit responsible behavior while visiting Bend.

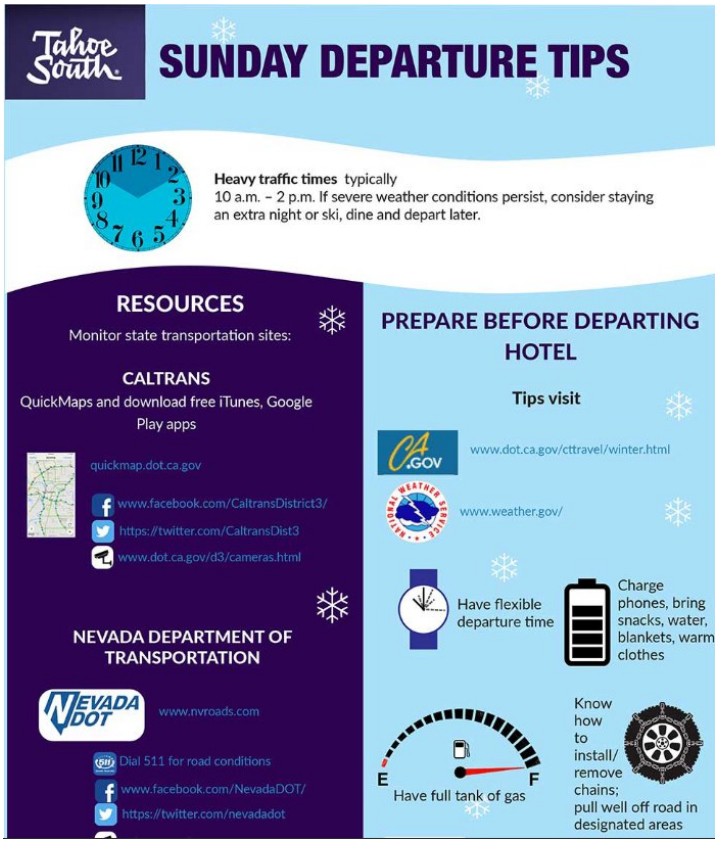


The Bend Pledge Includes the following:

1. I VOW TO BE A RESPECTFUL GUEST IN BEND'S INDOOR AND OUTDOOR SPACES.
2. I'LL MAKE MY OWN MEMORIES, BUT NOT MY OWN TRAILS.
3. I WILL BE RESPONSIBLE WITH FIRE DURING DRY SUMMER MONTHS AND WITH ICE ON SLICK WINTER ROADS.
4. I WON'T RISK LIFE OR LIMB (HUMAN OR SAPLING) FOR MORE LIKES.
5. I'LL BE FRIENDLY AND COURTEOUS, BECAUSE THAT'S THE BEND WAY.
6. IF I CAN'T FIND A PARKING SPOT, I WILL NOT INVENT MY OWN.
7. WHEN PLAYING OUTSIDE, I'LL PREPARE FOR SHIFTS IN WEATHER AND RANDOM EPISODES OF MAGIC.
8. I'LL PACK IN REUSABLE CONTAINERS AND PACK OUT ALL MY TRASH.
9. I WILL USE MY TURN SIGNAL OFTEN AND MY CAR HORN SELDOM.
10. I PROMISE TO LEAVE BEND BETTER THAN I FOUND IT.

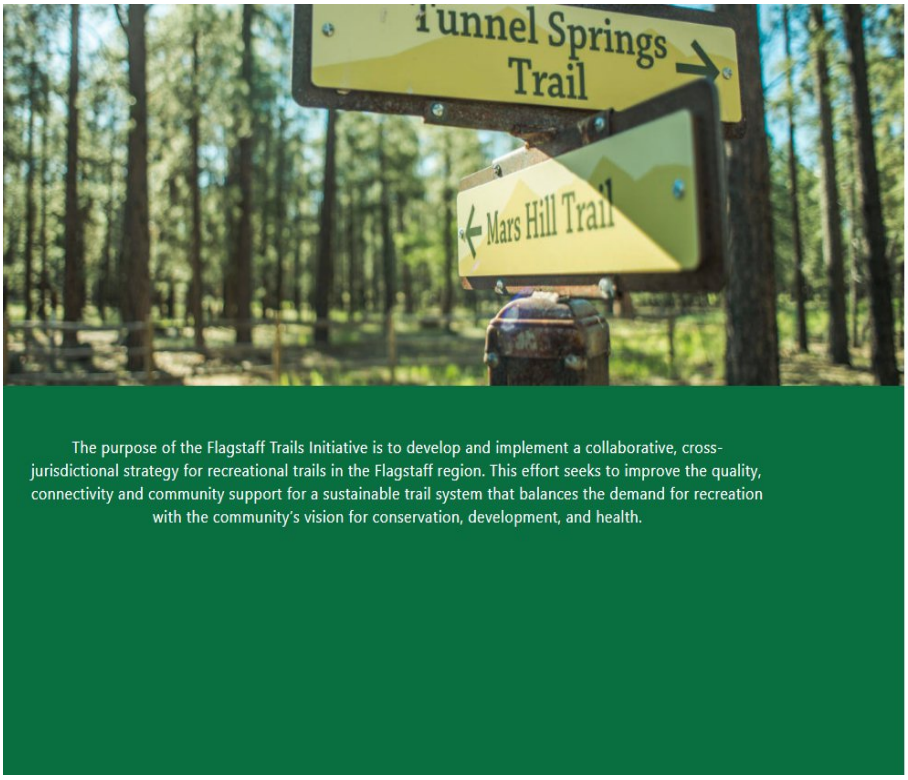
South Lake Tahoe

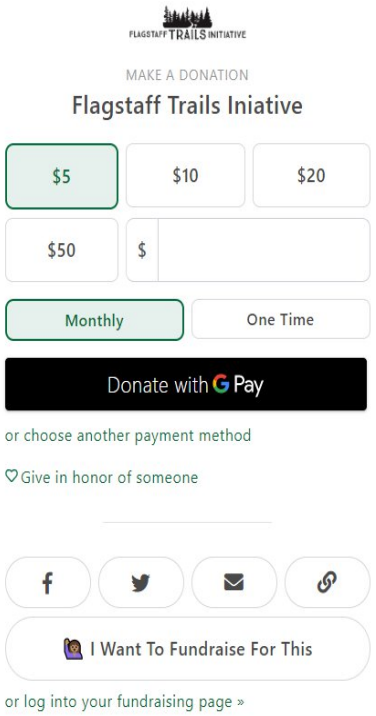
South Lake Tahoe has developed a specific program to mitigate departure traffic on Sundays which has become very problematic to local residents.



Flagstaff Arizona

Flagstaff looks to connect visitors with funding for their trail's programs.





Appendix 2: Over-tourism Resources

1. Overtourism-What is it and how can we avoid it?
   https://www.responsiblevacation.com/copy/what-is-overtourism

2. Taking responsibility for making tourism for making tourism more sustainable
   https://responsibletourismpartnership.org/overtourism/

3. How is Overtourism Impacting Travel to Popular Destinations?
   forbes.com/sites/johnnyjet/2018/08/20/how-is-overtourism-impacting-travel-to-popular-destinations/#8ba817335b84