

County of Santa Barbara

Annual Transient Occupancy Tax Report

Fiscal Year Ended June 30, 2016

In 1963, local governments were granted the power to tax the privilege of occupying a room or other living space in a hotel, motel, inn, tourist home, or other lodging (such as campgrounds) for a duration of 30 days or less. Transient occupancy tax (TOT), calculated as a percentage of the daily rent, is collected by the operator and then remitted to a city finance department for incorporated cities, or the County Treasurer–Tax Collector for unincorporated areas.

During fiscal year 2015-16 the transient occupancy tax rate was 10% for all unincorporated areas, the City of Santa Maria and the City of Lompoc, 12% for the cities of Buellton, Carpinteria, Goleta, Santa Barbara, and Solvang, and 6% for the City of Guadalupe.

Annual Transient Occupancy Tax Summary

TOT Rates at 6/30/2016:

Buellton	12%
Carpinteria	12%
Goleta	12%
Santa Barbara	12%
Solvang	12%
County* (<i>unincorp</i>)	10%
Lompoc	10%
Santa Maria	10%
Guadalupe	6%

* On November 8, 2016, the voters in the unincorporated area of Santa Barbara County voted in favor of increasing the TOT rate in that area from 10% to 12% effective January 1, 2017.

INSIDE THIS ISSUE:

Annual TOT Summary	1
Room Sales by Area	2
10 Year Annual Trend	3
5 Year Monthly Trend	3
Revenue Forecast	3
Lodging Provider listing	4

	<u>Fiscal Year 2014-15</u>	<u>Fiscal Year 2015-16</u>	<u>Change from Prior Year</u>
Cities:			
Santa Barbara	\$ 22,523,013	\$ 22,371,800	-0.7%
Goleta - City Share*	7,810,696	8,175,381	4.7%
Solvang	3,825,565	4,209,856	10.0%
Santa Maria	3,224,413	3,395,321	5.3%
Lompoc	1,677,995	1,706,127	1.7%
Carpinteria	2,367,760	2,378,069	0.4%
Buellton	1,830,276	1,783,340	-2.6%
Guadalupe	-	-	0.0%
Total Cities	\$ 43,259,719	\$ 44,019,895	1.8%
Unincorporated Areas:			
Montecito	\$ 5,198,175	\$ 5,431,596	4.5%
Goleta Valley	1,962,971	1,953,292	-0.5%
Santa Ynez	802,676	865,771	7.9%
North County	223,213	263,424	18.0%
South County	369,253	439,421	19.0%
Total County	\$ 8,556,289	\$ 8,953,504 †	4.6%
Countywide	\$ 51,816,008	\$ 52,973,399	2.2%

† Collections through September 2016

Transient occupancy tax reached \$53 million in fiscal year 2015-16, an increase of 2.2% from fiscal year 2014-15.

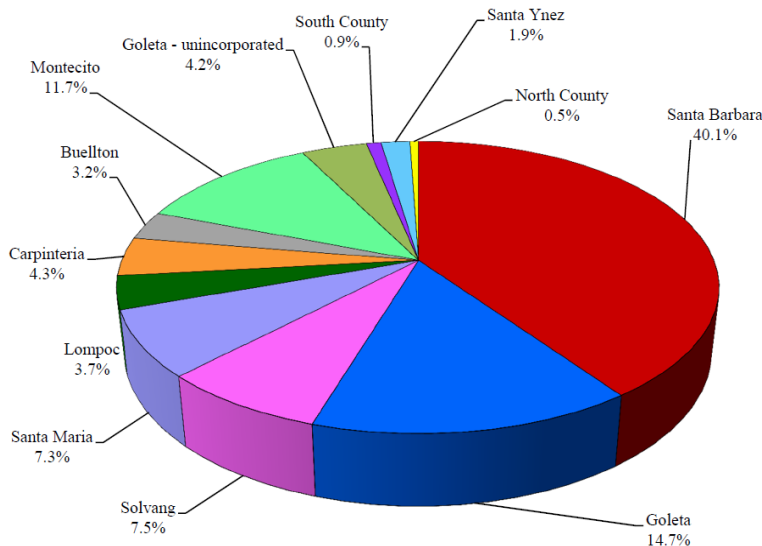
Room Sales - Fiscal Year 2015-16

INCORPORATED CITIES

	<u>Room Sales</u>	<u>% of total</u>
South		
Santa Barbara	\$ 186,431,667	40.1%
Goleta	68,128,178	14.7%
Carpinteria	19,817,238	4.3%
Total South	\$ 274,377,083	
North		
Santa Maria	\$ 33,953,212	7.3%
Lompoc	17,061,270	3.7%
Buellton	14,861,167	3.2%
Solvang	35,082,137	7.5%
Guadalupe	-	0.0%
Total North	\$ 100,957,785	
Total Cities	\$ 375,334,868	80.7%

UNINCORPORATED AREAS

	<u>Room Sales</u>	
South		
Montecito	\$ 54,315,958	11.7%
Goleta Unincorporated	19,532,923	4.2%
South County	4,394,213	0.9%
Total South	\$ 78,243,094	
North		
Santa Ynez	\$ 8,657,710	1.9%
North County	2,634,245	0.6%
Total North	\$ 11,291,955	
Total Unincorporated	\$ 89,535,049	19.3%
Total Countywide	\$ 464,869,917	100%



During fiscal year 2015-16, the lodging industry brought in \$464.9 million in room sales across all cities and County unincorporated areas. This is an increase of 2.3% over FY 2014-15 room sales of \$454.2 million.

Northern Santa Barbara County generated \$101 million in the incorporated cities and an additional \$11.3 million in the unincorporated areas. Southern Santa Barbara County generated \$274.4 million in the incorporated areas and an additional \$78.3 million in the unincorporated areas.

The City of Santa Barbara generated the most significant portion of room sales at \$186.4 million - approximately 40% of total countywide sales.

The City of Goleta generated \$68.1 million, 14.7% of the countywide total.

A significant portion of room sales were also generated in the unincorporated area of Montecito at \$54.3 million, 11.7% of the countywide total.

The unincorporated area of Goleta generated \$19.5 million, 4.2% of total room sales countywide.

Other Economic Benefits of the Hospitality Industry

The data below provides information about various other economic benefits generated as a result of the lodging/overnight Accommodations industry in Santa Barbara County. This data includes property tax revenue from hotels/motels, sales tax revenue generated on accommodations and restaurants, and employment (# jobs provided) within the Accommodations sector for fiscal years 2014-15 and 2015-16.

	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>%</u>
Property Tax	\$ 13,486,432	\$ 14,770,665	2% [3]
Sales Tax [1][2]	\$ 7,444,799	\$ 9,109,036	13% [4]
Employment			
# Jobs	4,900	5,200	3% [5]

[1] Includes both Restaurants & Accommodations sectors.

[2] Represents Bradley Burns sales tax.

[3] Ratio of property tax generated on hotel/motel/accommodations to total property taxes countywide.

[4] Represents County's portion of sales tax.

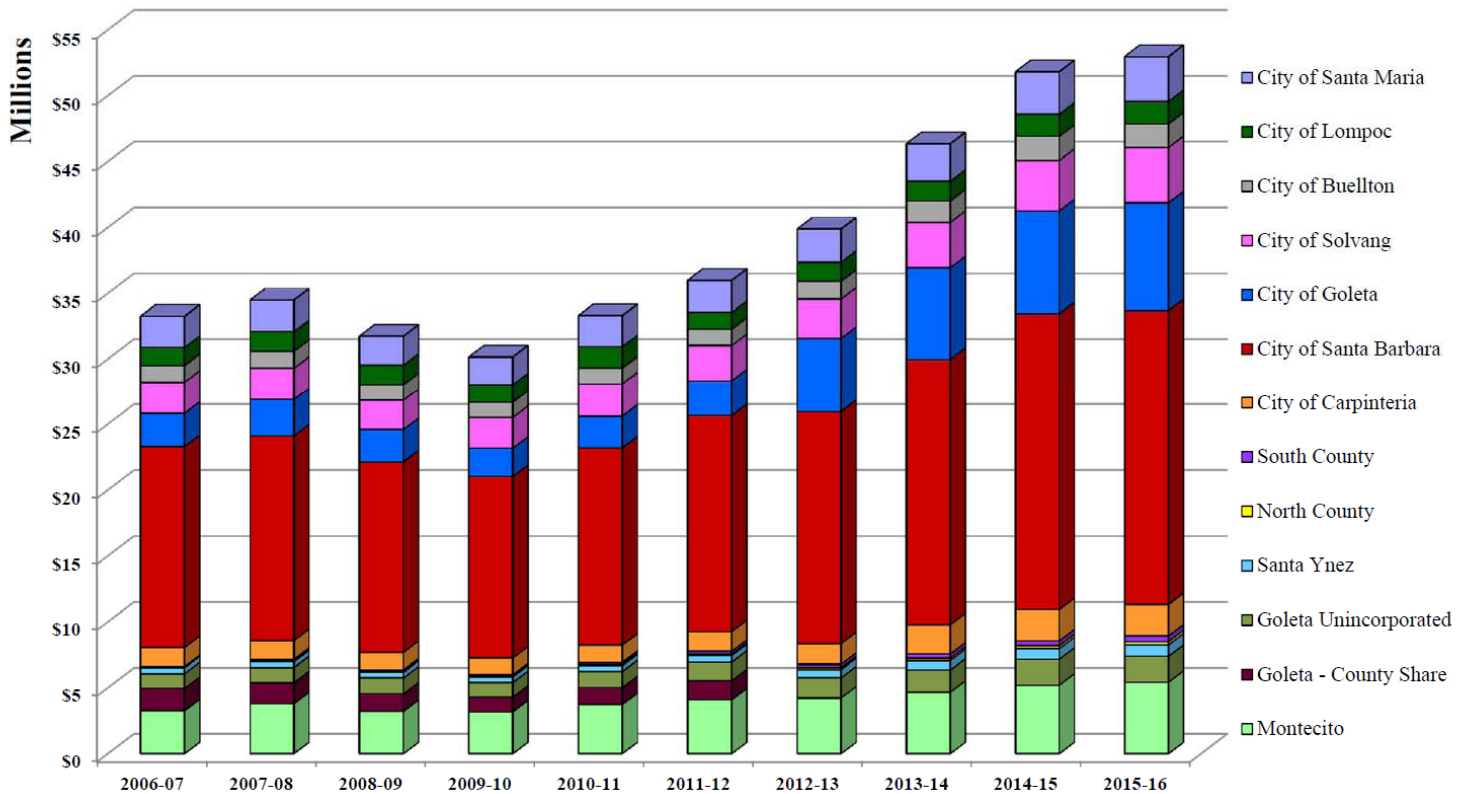
County received .75% of sales tax in first half, increasing to 1% in second half of FY 15/16.

[5] Ratio of the # of jobs in accommodations industry to total # of jobs countywide. *Source: CA EDD*

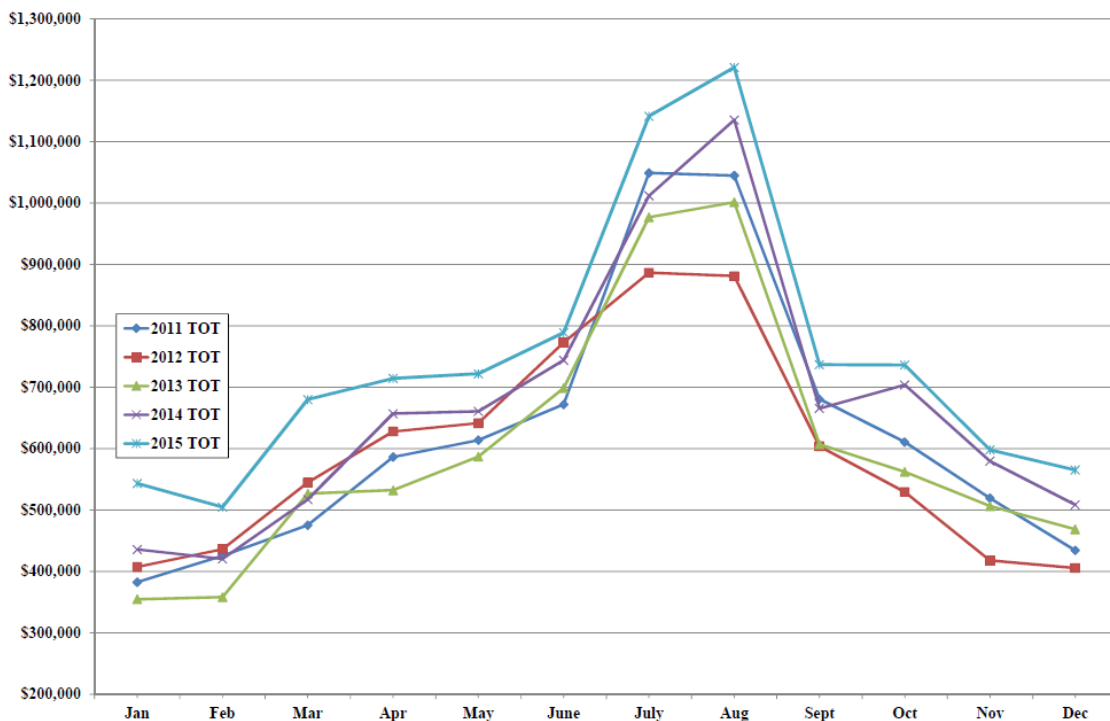
ANNUAL TRANSIENT OCCUPANCY TAX REPORT

10 Year Annual TOT Revenue Trend—Incorporated and Unincorporated Areas

TOT has increased each year since the FY 2009-10 recession low. Correlating with strong economic growth, there has been more tourism and Santa Barbara County saw multiple years of double-digit TOT growth since FY 2009-10. TOT has increased steadily each year since FY 2009-10, reaching an all time high of \$53 million in FY 2015-16, an increase of 2.2% over FY 2014-15. Our expectation is that growth will continue, but flatten to a more moderate rate than in the past five years.



5 Year Monthly Revenue Trend — Unincorporated Areas and Economic Forecast



This chart demonstrates the cyclical nature of TOT revenues in the unincorporated areas of Santa Barbara County. High season for TOT revenues begins in June, increases further in July and peaks in the month of August.

Our expectation is that revenue will continue to increase annually in the 1% to 3% range. Additional hotels currently under construction could boost that range.

COUNTYWIDE LISTING OF LODGING PROVIDERS

UNINCORPORATED AREAS

Montecito

Four Seasons Biltmore
Pacific Graduate Institute
San Ysidro Ranch
Westmont College

Goleta Valley

Circle Bar B Ranch Resort
El Capitan Campground
Extended Stay America
Ramada Limited
Tropicana Del Norte
Tropicana Gardens
Villas at Tropicana

Santa Ynez

Ballard Inn
Fess Parker's Wine Country Inn
For Friends Inn
Meadowlark Inn
Sanja Cota Motel
Santa Ynez Inn
Zaca Lake Foundation

North County

1880 Union
Alamo Hotel
Buckhorn
Skyview Los Alamos Motel
Victorian Mansion
White Oaks Hotel

South County

Inn on Summer Hill
Rancho Oso
Summerland Inn

...Plus 465 Vacation Rentals

CITY OF BUELLTON

Andersen's Best Western Inn
Farmhouse Motel
Flying Flags Travel Park
Motel 6
Quality Inn
Red Rose Court
San Marcos Motel
Santa Ynez Valley Marriott
Sideways Inn
Sleepy Hollow Motel

CITY OF CARPINTERIA

Best Western
Carpinteria Shores
Casa Del Sol
Holiday Inn Express
Eugenia Motel
La Cabana
Motel 6 (2)
Sandyland Reef Inn
Solimar Sands
Sunset Shores
Sea Shells Apartments
...Plus 3 Bed and Breakfasts &
63 Vacation Rentals

CITY OF GOLETA

Bacara Resort & Spa
Goodland Hotel
Hampton Inn
Marriott Courtyard
Motel 6
Pacifica Suites
South Coast Inn
Super 8 Motel
...Plus 8 Vacation Rentals

CITY OF LOMPOC

1890 House
Budget Inn
Embassy Suites
Holiday Inn Express
Inn at Highway 1
Inn of Lompoc
Lompoc Motel
Lompoc Valley Inn & Suites
Motel 6
O'Cairns Inn & Suites
Red Roof Inn
Star Motel
Travel Lodge

CITY OF SANTA BARBARA

Agave Inn
Ala Mar Motel
Avania Inn
Bath Street Inn
Beach House Motel
Best Western Inn
Blue Sands Motel
Brisas del Mar
Cabrillo Inn
Canary Hotel
Casa Del Mar
Castillo Inn

Cheshire Cat Inn
Coast Village Inn
Days Inn
Doubletree Resort
Eagle Inn
El Encanto Hotel
Encina Motor Lodge
Franciscan Motel
Harbor House
Harbor View Inn
Holiday Inn Express
Holiday Lodge
Hotel Indigo Santa Barbara
Hotel Milo
Hotel Santa Barbara
Hyatt Santa Barbara
Inn at East Beach
Inn by the Harbor
La Quinta Inn & Suites
Lavender Garden Inn by the Sea
Lemon Tree Inn
Marina Beach Motel
Mason Beach Inn
Montecito Inn
Motel 6 (2)
Oasis Inn & Suites
Old Yacht Club
Orange Tree Inn
Pacific Crest Inn by the Sea
Parkside Inn
Pepper Tree
Presidio Motel
Quality Inn
Rose Garden Inn
Sandpiper Lodge
Santa Barbara Inn
Santa Barbara Tourist Hostel
Secret Garden Inn
Simpson House Inn
Spanish Garden Inn
Sunset Motel
The Inn in Santa Barbara
The Orchid Inn
Tiffany Inn
Town & Country Inn
Upham Hotel
Villa Elegante
Villa Rosa
Wayfarer Hotel
West Beach Inn
White Jasmine Inn
...Plus Approximately 170
Vacation Rentals

CITY OF SANTA MARIA

Big America Hotel
Broadway 11 LLC
Buckboard Motor Lodge
Candlewood Suites
Colonial Motel
Days Inn
Deville Motel
Economy Inn
Fairfield Inn & Suites
Fountain Motel
Guest House Inn
Historic Santa Maria Inn
Holiday Inn
Holiday Motel
Laura Lodge
Mission Hotel
Motel 6 (2)
Palms Motor Motel
Plaza Motel
Radisson Hotel
Restwell Motel
Santa Maria Cottages
Santa Maria Quality Inn
Solaire Inn and Suites
The North Broadway
Town & Country Motel
Valley Motel
Villa Motel
Western Motel

CITY OF SOLVANG

Alisal Guest Ranch
Atterdag Inn
Hadsten House Inn
Hamlet Motel
Holiday Inn Express
Hotel Corque
King Fredrick
Kronborg Inn
Landsby
Mirabelle
New Haven
Royal Copenhagen
Solvang Gardens
Solvang Inn & Cottages
Svendsgaard Lodge
Viking Motel
Wine Valley Inn
Worldmark Club
...Plus 6 Vacation Rentals

