

# County of Santa Barbara

## Annual Transient Occupancy Tax Report

### Fiscal Year Ended June 30, 2014

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 2013-14 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, and Solvang, and 6% for the City of Guadalupe. A November 2014 ballot measure seeking an increase in the TOT rate for unincorporated areas to 12.5% was not approved by voters.

#### **TOT Rates at 6/30/2014:**

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

#### **MEASURE O**

Five of nine jurisdictions currently assess TOT at 12%. Measure O would have brought the County (unincorporated area) rate to 12.5%, providing an estimated 1.9 million in additional annual TOT revenue.

The measure was defeated by voters along with other tax increase propositions in the November 2014 election.

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#### Annual Transient Occupancy Tax Summary

	<u>Fiscal Year</u> <u>2012-13</u>	<u>Fiscal Year</u> <u>2013-14</u>	<u>Change</u> <u>from Prior</u> <u>Year</u>
<b>Cities:</b>			
Santa Barbara	\$ 17,611,106	\$ 20,184,188	14.6%
Goleta	5,604,278	6,975,799	24.5%
Solvang	2,998,807	3,443,889	14.8%
Santa Maria	2,531,982	2,844,497	12.3%
Lompoc	1,441,422	1,508,886	4.7%
Carpinteria	1,564,423	2,221,947	42.0%
Buellton	1,344,904	1,556,530	15.7%
Guadalupe	-	-	0.0%
<b>Total Cities</b>	<b>\$ 33,096,922</b>	<b>\$ 38,735,737</b>	<b>17.0%</b>
<b>Unincorporated Areas:</b>			
Montecito	\$ 4,227,452	\$ 4,665,280	10.4%
Goleta Valley	1,523,192	1,669,453	9.6%
Santa Ynez	620,647	729,229	17.5%
North County	153,474	176,686	15.1%
South County	255,725	316,280	23.7%
<b>Total County</b>	<b>\$ 6,780,490</b>	<b>\$ 7,556,927</b>	<b>11.5%</b>
<b>Countywide</b>	<b>\$ 39,877,411</b>	<b>\$ 46,292,664</b>	<b>16.1%</b>

Transient occupancy tax reached \$46.3 million in fiscal year 2013-14, an increase of 16.1% from fiscal year 2012-13.

## Room Sales - FY 2013-14

## INCORPORATED CITIES

	<u>Room Sales</u>	<u>% of total</u>
South		
Santa Barbara	\$ 168,201,567	41.5%
Goleta	58,131,661	14.3%
Carpinteria	18,516,227	4.6%
Total South	\$ 244,849,455	
North		
Santa Maria	\$ 28,444,969	7.0%
Lompoc	15,088,863	3.7%
Buellton	12,971,083	3.2%
Solvang	28,699,078	7.1%
Guadalupe	-	0.0%
Total North	\$ 85,203,993	
<b>Total Cities</b>	<b>\$ 330,053,448</b>	

## UNINCORPORATED AREAS

	<u>Room Sales</u>	
South		
Montecito	\$ 46,652,796	11.5%
Goleta Unincorporated	16,694,530	4.1%
South County	3,162,795	0.8%
Total South	\$ 66,510,121	
North		
Santa Ynez	\$ 7,292,288	1.8%
North County	1,766,863	0.4%
Total North	\$ 9,059,151	
<b>Total Unincorporated</b>	<b>\$ 75,569,272</b>	
<b>Total Countywide</b>	<b>\$ 405,622,720</b>	100%

During fiscal year 2013-14, the lodging industry brought in \$405.6 million in room sales across all cities and County unincorporated areas. This is an increase of 12.6% over FY 2012-13 room sales of \$360.3 million.

Northern Santa Barbara County generated \$85.2 million in the incorporated cities and an additional \$9.1 million in the unincorporated areas. Southern Santa Barbara County generated \$244.8 million in the incorporated areas and an additional \$66.5 million in the unincorporated areas.

The City of Santa Barbara generated the most significant portion of room sales at \$168.2 million - approximately 41.5% of total countywide sales.

The City of Goleta generated \$58.1 million, 14.3% of the countywide total.

A significant portion of room sales were also generated in the unincorporated area of Montecito at \$46.6 million, 11.5% of the countywide total.

The unincorporated area of Goleta generated \$16.7 million, 4.1% 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 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 2012-13 and 2013-14.

	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>%</u>	
<b>Property Tax</b>	\$ 12,001,013	\$12,998,531	2%	[3]
<b>Sales Tax [1][2]</b>	\$ 6,358,041	\$ 6,927,578	14%	[4]
<b>Employment</b>				
<b># Jobs</b>	4,600	4,900	3%	[5]

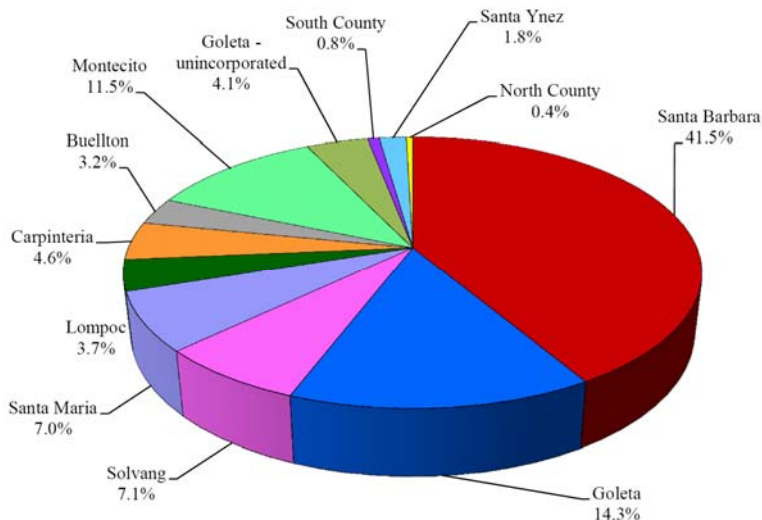
[1] Includes both Restaurants & Accommodations.

[2] Represents 0.75% local sales tax.

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

[4] Ratio of 0.75% sales tax generated in the hotel/accommodations industry to total 0.75% sales tax countywide.

[5] Ratio of the # of jobs in accommodations industry to total # of jobs countywide.

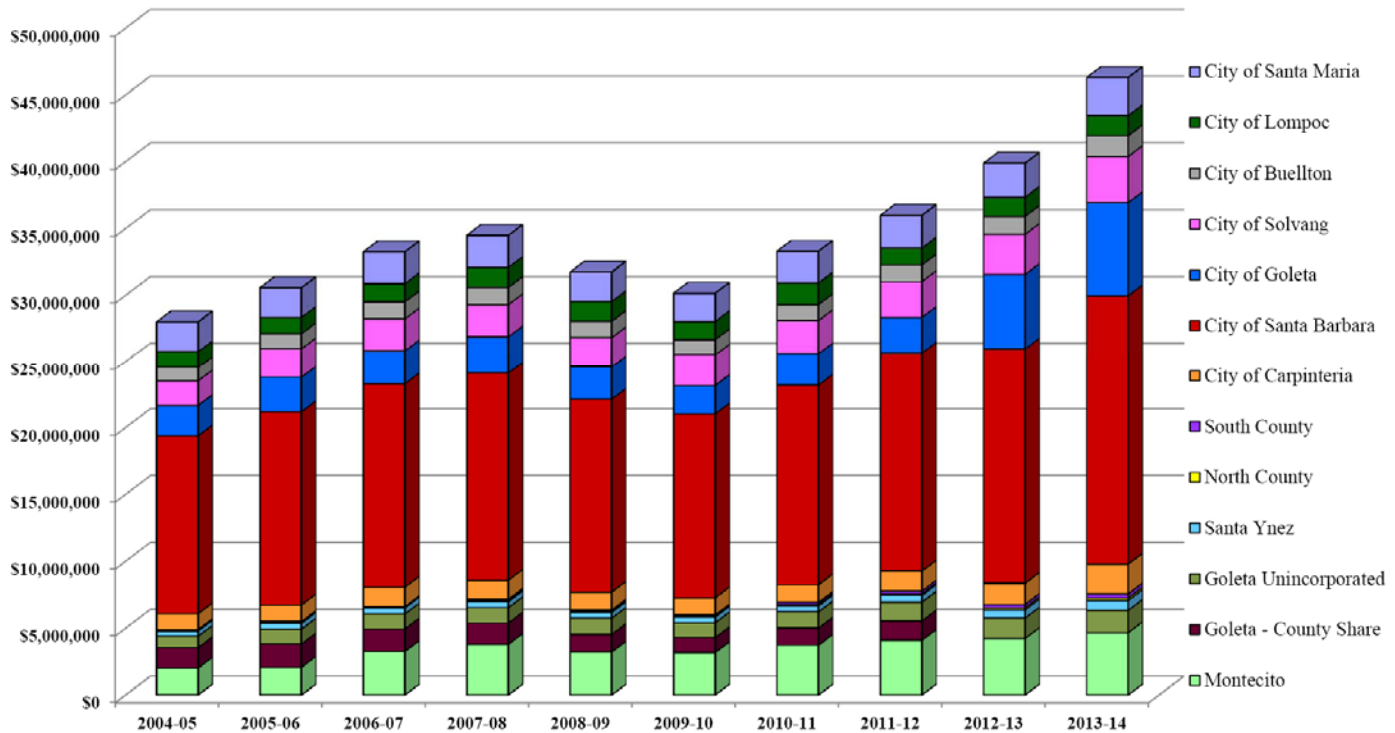


# ANNUAL TRANSIENT OCCUPANCY TAX REPORT

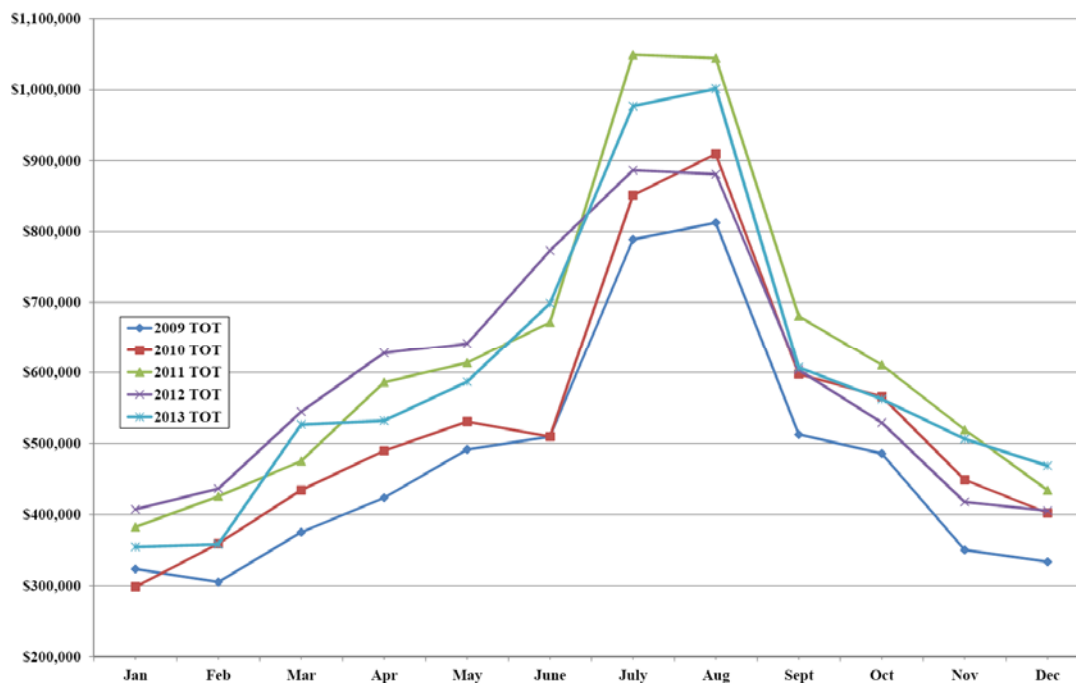
## 10 Year Annual TOT Revenue Trend—Incorporated and Unincorporated Areas

TOT has increased each year since the FY 2009-10 recession low. Correlating with strong economic growth, there is more tourism and Santa Barbara County is seeing a return to the previous growth trend which peaked in FY 2007-08.

Countywide, transient occupancy tax in FY 2007-08 reached \$34.5 million and dropped to \$30.1 million by FY 2009-10, a 12.6% decrease. Since FY 2009-10 however, TOT has increased steadily each year, reaching an all time high of \$46.3 million in FY 2013-14, an increase of 16.1% over FY 2012-13.



## 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.

Looking forward to future years, considering the recovery, our expectation is that revenues will continue to increase annually by 4%.

## 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  
Friendship Manor  
Ramada Limited  
Tropicana Gardens  
Tropicana Del Norte  
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

Alamo Motel  
Rancho Oso  
Skyview Motel  
Union Hotel  
Victorian Mansion  
White Oaks Hotel

#### South County

Summerland Inn  
Inn on Summer Hill

....Plus 335 Vacation Rentals in  
the Unincorporated Areas

### CITY OF GOLETA

Bacara Resort & Spa  
Hampton Inn  
Holiday Inn  
Marriott Courtyard  
Motel 6  
Pacifica Suites  
South Coast Inn  
Super 8 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 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  
Days Inn & Suites  
Doubletree Resort  
Eagle Inn  
El Encanto Hotel  
Encina Motor Lodge  
Fiesta Inn  
Franciscan Motel  
Hacienda Motel  
Harbor House  
Harbor View Inn  
Holiday Inn Express  
Holiday Lodge  
Hotel Indigo Santa Barbara  
Hotel Santa Barbara  
Hyatt Santa Barbara  
Inn at East Beach  
Inn by the Harbor  
Spanish Garden Inn  
James House  
Lavender Garden Inn by the Sea  
Lemon Tree Inn  
Marina Beach Motel  
Mason Beach Inn  
Montecito Inn  
Motel 6 #1  
Motel 6 #2

Oasis Inn & Suites  
Oceana Hotel  
Old Yacht Club  
Orange Tree Inn  
Pacific Crest Inn by the Sea  
Parkside Inn  
Pepper Tree  
Presidio Motel  
Quality Inn  
Sandman Inn  
Sandpiper Lodge  
Santa Barbara Inn  
Santa Barbara Tourist Hostel  
Secret Garden Inn  
Simpson House Inn  
Sunset Motel  
The Inn in Santa Barbara  
The Orchid Inn  
Tiffany Inn  
Town & Country Inn  
Upham Hotel  
Villa Elegante  
Villa Rosa  
West Beach Inn  
White Jasmine Inn  
...Plus 170 Vacation Rentals

### CITY OF SANTA MARIA

Big America Hotel  
Buckboard Motor Lodge  
Budget Inn  
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  
Palms Motor Motel  
Plaza Motel  
Radisson Hotel  
Restwell Motel  
Rodeway Inn  
Rose Garden Inn  
Santa Maria Cottages  
Santa Maria Quality Inn  
The North Broadway

Town & Country Motel  
Valley Motel  
Villa Motel  
Western Motel

### CITY OF LOMPOC

1890 House  
Roadway Inn  
Budget Inn  
Days Inn  
Embassy Suites  
Holiday Inn Express  
Lompoc Motel  
Motel 6  
O'Cairns Inn & Suites  
Comfort Inn  
Red Roof Inn  
Star Motel  
Travel Lodge

### CITY OF BUELLTON

A Country Lane  
Andersen's Best Western Inn  
Days Inn  
Farmhouse Motel  
Flying Flags Travel Park  
Motel 6  
Quality Inn  
Red Rose Court  
San Marcos Motel  
Santa Ynez Valley Marriott  
Sleepy Hollow Motel  
...Plus 1 Vacation Rental

### CITY OF SOLVANG

Alisal Guest Ranch  
Hadsten House Inn  
Hamlet Motel  
Holiday Inn Express  
Hotel Corque  
King Fredrick  
Kronborg Inn  
Mirabelle  
Petersen Village  
Royal Copenhagen  
Solvang Gardens  
Solvang Inn & Cottages  
Svendsgaard Lodge  
Viking Motel  
Wine Valley Inn  
Worldmark Club  
...Plus 1 Vacation Rental

