

# County of Santa Barbara Annual Transient Occupancy Tax Report



## Fiscal Year Ended June 30, 2009

### Countywide Transient Occupancy Taxes

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 30 days or less. The transient occupancy tax (TOT) is collected by the operator and then remitted to city finance departments or the County Treasurer for the unincorporated area. The transient occupancy tax is currently 10% (12% for the City of Santa Barbara) of the daily rent.

The transient occupancy tax reached \$31.6 million in fiscal year 2008-09, an 8.3% decline from 2007-08. The unincorporated area generated \$6.4 million, while the incorporated cities received the largest share of TOT at \$25.2 million.

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#### <sup>1</sup>Summary of the County / City Revenue Neutrality Agreement for Goleta:

- Agreement in effect from February 1, 2002 until June 30, 2012.
- 60% of TOT generated in the City of Goleta goes to the City.
- 40% of TOT generated in the City of Goleta goes to the County.
- For hotels/motels opened after February 1, 2002, 100% of TOT generated in the City of Goleta goes to the City.

### Hotel / Motel Room Transient Occupancy Taxes by Jurisdiction

	2007-2008		2008-2009	
	Amount	Change from Prior Year	Amount	Change from Prior Year
<b>Cities:</b>				
Santa Barbara	\$15,522,708	1.9%	\$14,469,128	-6.8%
Goleta—City Share <sup>1</sup>	2,783,144	9.6%	2,457,059	-11.7%
Solvang	2,418,395	0.5%	2,235,432	-7.6%
Santa Maria	2,396,491	1.0%	2,201,546	-8.1%
Lompoc	1,491,662	8.8%	1,482,857	-0.6%
Carpinteria	1,415,000	-2.6%	1,225,707	-13.4%
Buellton	1,290,390	1.3%	1,179,362	-8.6%
Guadalupe	—	—	—	—
<b>Total</b>	<b>\$27,317,790</b>	<b>2.5%</b>	<b>\$25,251,091</b>	<b>-7.6%</b>
<b>Unincorporated Areas:</b>				
Montecito	3,860,051	18.7%	3,284,943	-14.9%
Goleta –County Share <sup>1</sup>	1,599,120	-5.5%	1,331,183	-16.8%
Goleta Valley	1,148,712	3.0%	1,199,569	4.4%
Santa Ynez	462,963	0.3%	455,052	-1.7%
North County	84,106	0.1%	86,159	2.4%
<b>Total</b>	<b>\$7,154,952</b>	<b>8.3%</b>	<b>\$6,356,906</b>	<b>-11.1%</b>
<b>Countywide Total</b>	<b>\$34,472,742</b>	<b>3.7%</b>	<b>\$31,607,997</b>	<b>-8.3%</b>

Data Source: TOT for the cities was provided by the respective city's finance department, and TOT for the unincorporated area was obtained through the Treasurer-Tax Collector's Office

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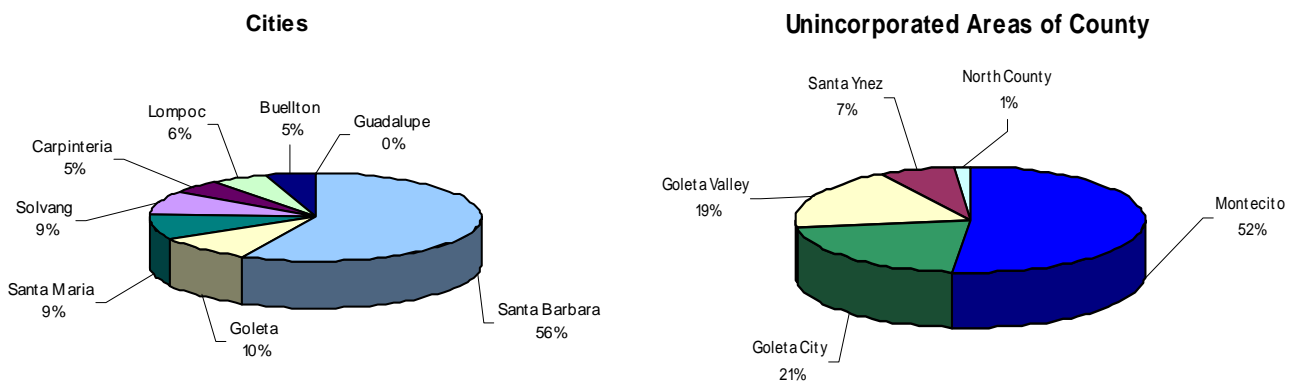
### TOT Highlights for FY 2008-09

#### Cities

- TOT generated in the cities reached \$25.2 million, a decline of 7.6% from the prior year.
- The City of Santa Barbara, arguably one of the most beautiful cities in the United States, generated 46% of the total TOT earned in the county.

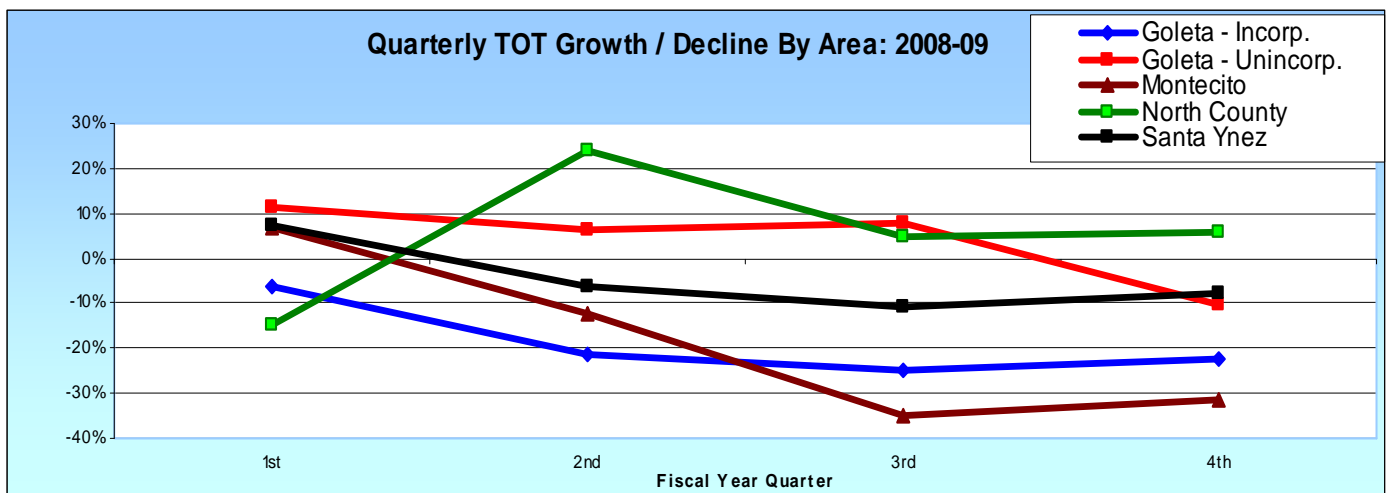
#### Unincorporated

- The unincorporated area generated \$6.4 million in TOT, an 11.1% decline from the prior year. The largest declines occurred at the premier destination resorts.
- The Montecito area generates about 52% of the TOT generated in the unincorporated area; the dominant generators in that area being the Four Seasons Biltmore and the San Ysidro Ranch.



### Transient Occupancy Tax Growth / Decline — Unincorporated Areas

In fiscal year 2007-2008, the County’s TOT growth rate began to progressively weaken as we approached the end of the fiscal year. In October of 2008, the County began to see the first troubling signs of an economic downturn as TOT revenues began to consistently decline. As fiscal year 2008-2009 continued, the revenue decline rate became more pronounced; some months had a 25-30% revenue decline when compared to the same months in the prior fiscal year. Except for a weak 4th quarter, unincorporated Goleta performed extremely well during the current economic downturn.



## TOT Revenues by Geographic Area North County/South County

Santa Barbara County currently contains an estimated total of 187 hotels and motels throughout the north and south regions. Including 50 vacation rentals and bed & breakfast locations, the county generates TOT revenues from 237 applicable businesses within county lines.

### South

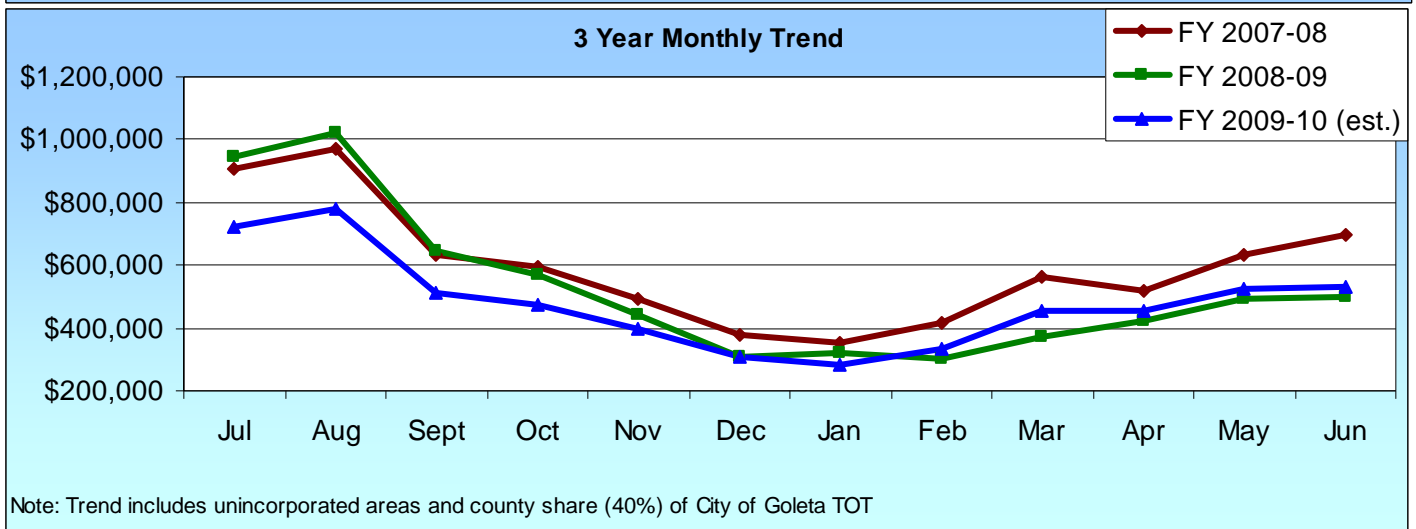
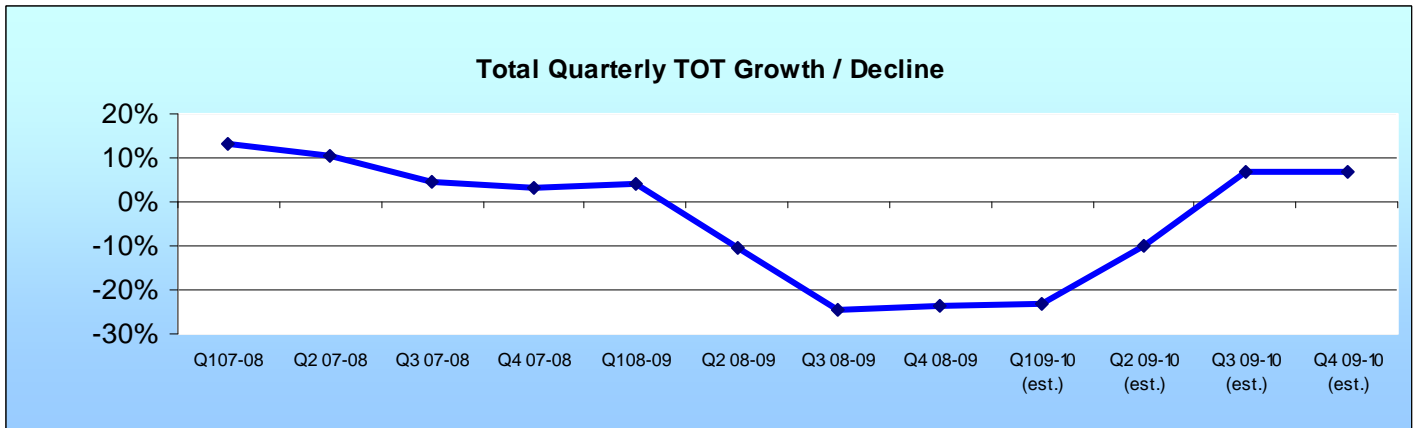
- South county cities and unincorporated areas accounted for 76%, or \$24.0 million of the county's total TOT.
- During fiscal year 2008-2009, TOT revenues fell by 9.0% in the south county.
- The City of Santa Barbara accounted for 60% of the south county area's TOT revenues.

### North

- North county cities and unincorporated areas accounted for 24%, or \$7.6 million of the county's total TOT.
- In the economic downturn, the north county fared better than the south county; during fiscal year 2008-2009, TOT revenues only fell by 6.6%.
- The City of Solvang accounted for 29% of the north county area's TOT revenues.

## Forecast — Unincorporated Areas

It is our expectation that the revenue rate of decline will stabilize during the middle of the 2009-2010 fiscal year. As we approach the end of the 2009-2010 fiscal year, we anticipate the beginning of a modest recovery.



## Countywide Hotel / Motels

### UNINCORPORATED AREA

#### Montecito

Four Seasons Biltmore  
 Inn on Summer Hill  
 Pacific Graduate Institute  
 San Ysidro Ranch  
 Summerland Inn  
 Westmont College

#### Goleta Valley

Bjorkland  
 Circle Bar B Ranch Resort  
 El Capitan Campground  
 Extended Stay America  
 Fontainebleu  
 Friendship Manor  
 Hope Ranch Inn  
 Ramada Limited  
 Tropicana Gardens

#### Santa Ynez

Ballard Inn  
 Cuatro Viento Vineyard  
 Edison Street Inn  
 Fess Parker's Wine Country  
 Meadowlark Motel  
 Molly Dolle  
 Rancho Oso  
 Sanja Cota Motel  
 Santa Ynez Inn  
 SYVR, LLC  
 Zaca Lake Foundation

#### North County

Alamo Motel  
 Skyview Motel  
 Union Hotel  
 Victorian Mansion at Los Alamos  
 White Oaks

...plus 19 Vacation Rentals

### CITY OF GOLETA

Bacara Resort & Spa  
 Hampton Inn  
 Holiday Inn Santa Barbara  
 Motel 6  
 Pacifica Suites  
 South Coast Inn  
 Super 8 Motel

### CITY OF CARPINTERIA

Best Western

Carpinteria Shores  
 Casa Del Sol  
 Comfort Suites  
 Eugenia Motel  
 La Cabana  
 Motel 6  
 Prufrocks Garden Inn  
 Sandyland Reef Inn  
 Solimar Sands  
 Sunset Shores  
 Sea Shells Apartments  
 ...plus 4 Bed and Breakfasts

### CITY OF SANTA BARBARA

Agave Inn  
 Ala Mar Motel  
 Bath Street Inn  
 Beach House Motel  
 Best Western Inn  
 Blue Sands Motel  
 Cabrillo Inn  
 Canary Hotel  
 Casa Del Mar  
 Castillo Inn  
 Cheshire Cat Inn  
 Coast Village Inn  
 Coastal Hideaways  
 Colonial Beach Inn  
 Conners  
 Cottages @ East Beach  
 Country Inn by Sea  
 Days Inn  
 Doubletree Resort  
 Eagle Inn  
 El Encanto Hotel  
 El Prado Motor Inn  
 Encina Motor Lodge  
 Fiesta Inn  
 Flower Garden Inn  
 Franciscan Motel  
 Hacienda Motel  
 Harbor House  
 Harbor Walk Cottage  
 Harbor View Inn  
 Harborside Inns  
 Holiday Inn Express  
 Holiday Lodge  
 Hotel Mar Monte  
 Hotel Santa Barbara  
 Inn at East Beach  
 Inn of Spanish Garden  
 James House  
 Lemon Tree Inn  
 Marina Beach Motel

Mason Beach Inn  
 Montecito Inn  
 Motel 6 #1  
 Motel 6 #2  
 Oceana Hotel  
 Old Yacht Club  
 Orange Tree Inn  
 Pacific Crest Motel  
 Pepper Tree  
 Presidio Motel  
 Quality Inn  
 San Roque Motel  
 Sandman Inn  
 Sandpiper Lodge  
 Santa Barbara Inn  
 Santa Barbara Int'l Hostel  
 Secret Garden Inn  
 Shoreline Ventures  
 Simpson House Inn  
 State Street Hotel  
 Sunset Motel  
 The Orchid Inn  
 Tiffany Inn  
 Town & Country Inn  
 Upham Hotel  
 Villa Elegante  
 Villa Rosa  
 West Beach Inn  
 White Jasmine Inn  
 ...plus 27 Vacation Rentals

### CITY OF SANTA MARIA

Best Value Inn  
 Big America Hotel  
 Buckboard Motor Lodge  
 Colonial Motel  
 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 Quality Inn

Sundown Motel  
 The North Broadway  
 Town & Country Motel  
 Valley Motel  
 Villa Motel  
 Western Motel

### CITY OF LOMPOC

1890 House  
 Best Value Inn  
 Best Western  
 Budget Inn  
 Days Inn  
 Embassy Suites  
 First Value Inn  
 Holiday Inn Express  
 Lompoc Motel  
 Motel 6  
 O'Cairns Inn  
 Quality Inn  
 Star Motel

### 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

### 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