



# Transient Occupancy Tax Report

## First Quarter 2013

**2013**  
SONOMA  
COUNTY

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A calendar year runs from January to December. Each quarter contains three months of the year, beginning with January, February and March for the first quarter. Please note that this report contains data updated through the first quarter (January, February, March) of 2013.

# Transient Occupancy Tax Report

First Quarter 2013

August 2013

The Sonoma County Economic Development Board (EDB), in partnership with Sonoma County Tourism (SCT), is pleased to bring you the 2013 first quarter calendar year (CY) Transient Occupancy Tax (TOT) Report. The analysis drafted by the Sonoma County EDB is based on reports from each jurisdiction within the county.

This report covers the county's TOT revenues, compared with Sonoma County's historical CY numbers, as well as the accommodation development for January, February and March 2013.

Highlights from the First Quarter transient Occupancy Tax Report include:

- The County's revenues for first quarter 2013 increased 14% over first quarter 2012. First quarter 2013 TOT revenues are the highest first quarter revenues since 2008, and in many cases the best that have ever been recorded.
- All Sonoma County cities except Cloverdale and Petaluma experienced increased year-over-year TOT revenue for first quarter 2013. Sonoma had the largest first quarter over first quarter TOT revenue increase at 43%; leading the way for the second quarter in a row. Windsor had the second largest quarter-over-quarter increase at 13%.
- Rohnert Park, Healdsburg, Sonoma, and Windsor all experienced their best first quarter TOT revenues recorded to date. This reflects improving economic conditions and highlights Sonoma County's growing popularity as a tourist destination. This is also reflected by the highest occupancy rates and average daily rates ever recorded for first quarter (CY) 2013.

As always, if you have any questions, please feel free to contact us at (707) 565-7170.

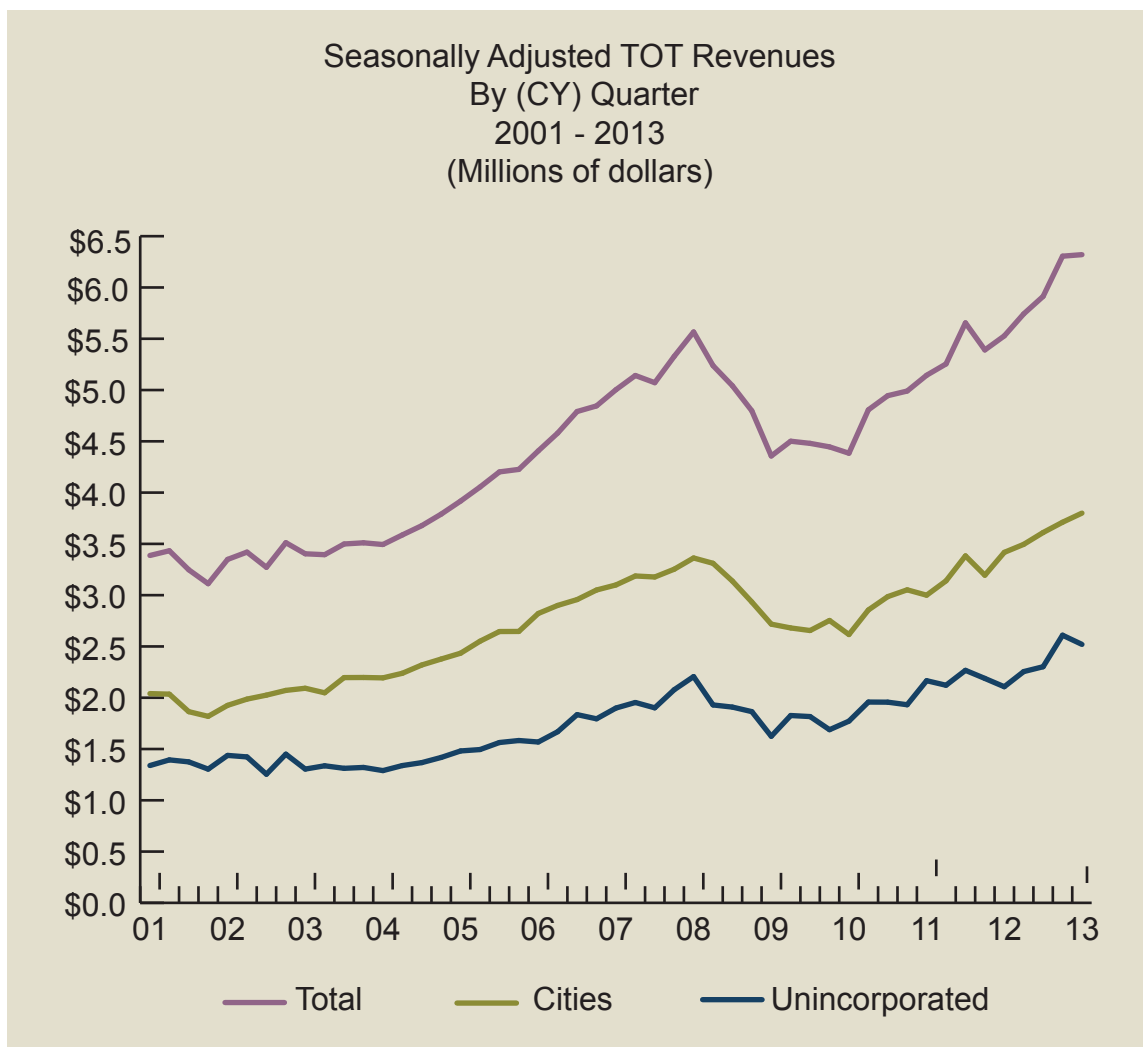
Sincerely,



Ben Stone  
Executive Director

# Seasonally Adjusted TOT Revenues

By Calendar Year Quarter 2001 - 2013



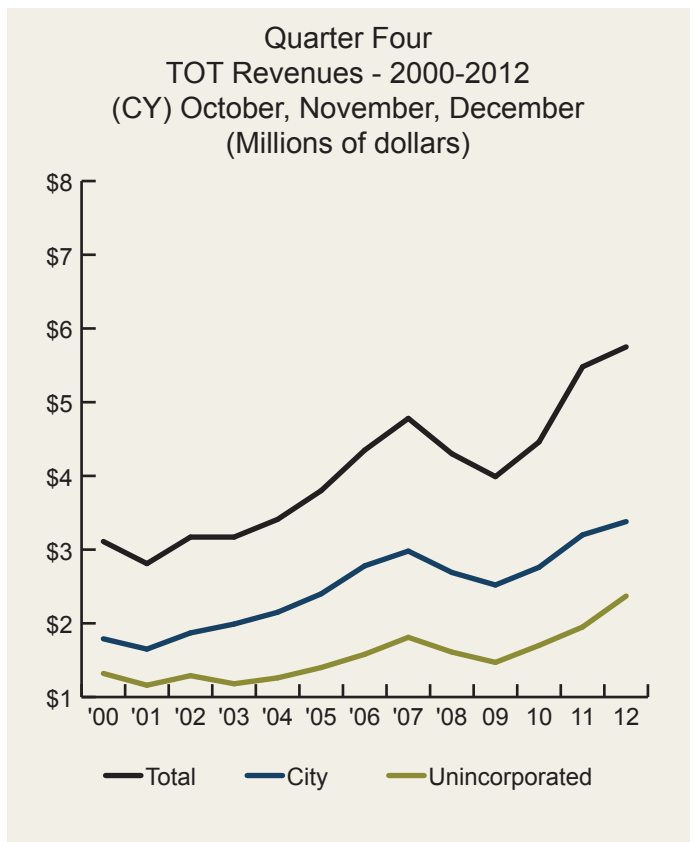
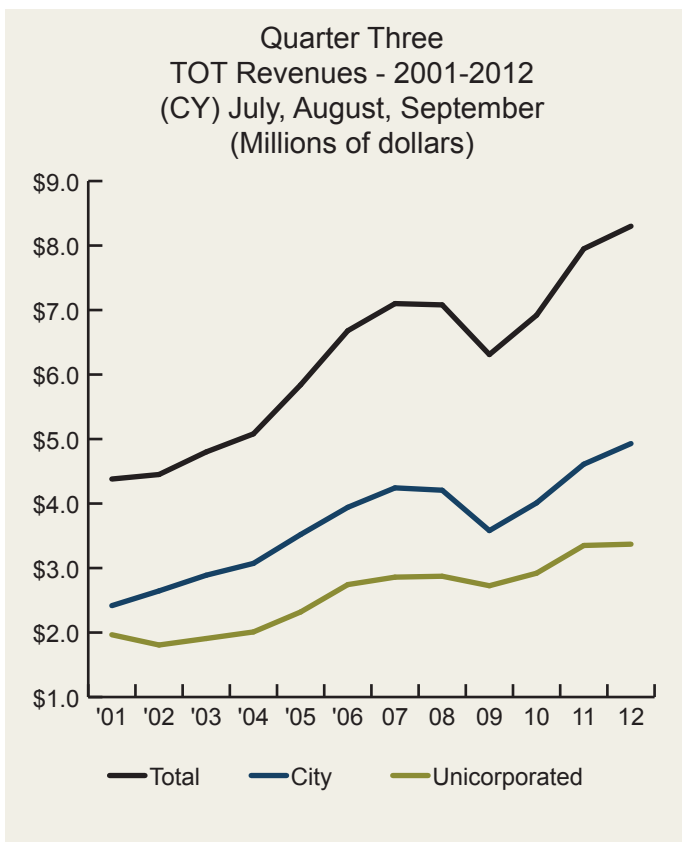
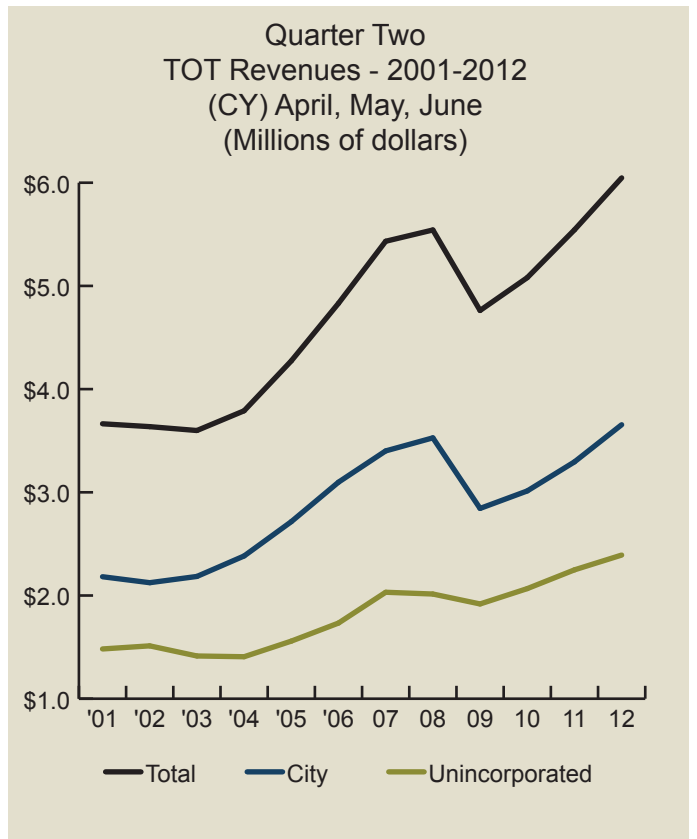
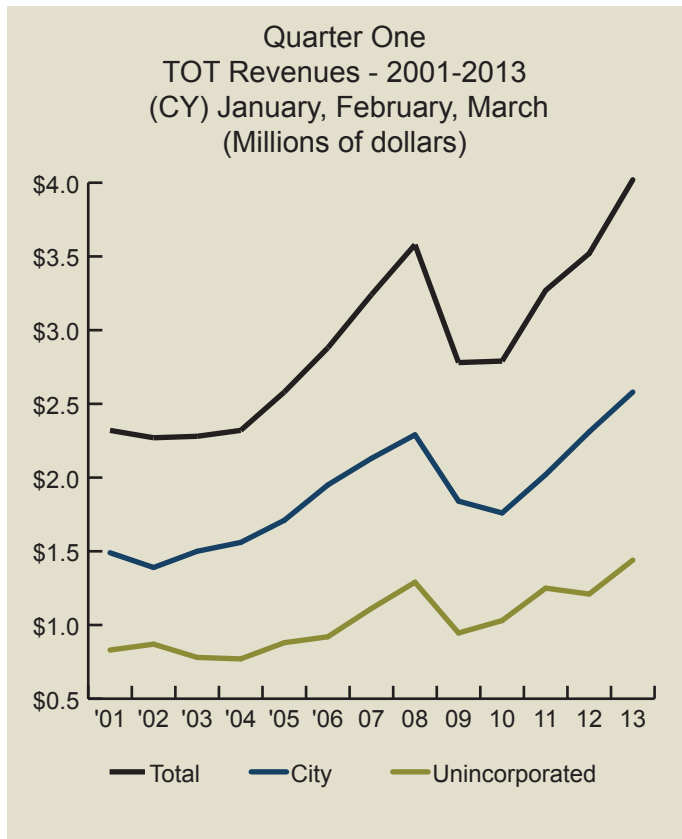
This section analyzes the quarterly TOT trends for the aggregated city and unincorporated areas from first quarter calendar year (CY) 2001 through first quarter (CY) 2013.

## Summary of Findings:

- TOT revenues grew steadily with significant increase between 2005 and 2007. Revenues decreased in 2008 and continued to do so into fourth quarter 2009. TOT revenues started to show growth in first quarter 2010 and continued to do so into first quarter 2013. First quarter 2013 revenues are strong and continue to demonstrate the County's economic recovery.
- The general trend in TOT revenues since 1999 reflects Sonoma County's popularity as a tourist destination and the strength of local lodging properties' average daily and occupancy rates.
- The significant dips in TOT revenues between 2001 and 2002 and 2008 and 2009 can be attributed to decreased tourism worldwide in response to a weakening economy and/or reactions to specific events such as September 11, 2001.

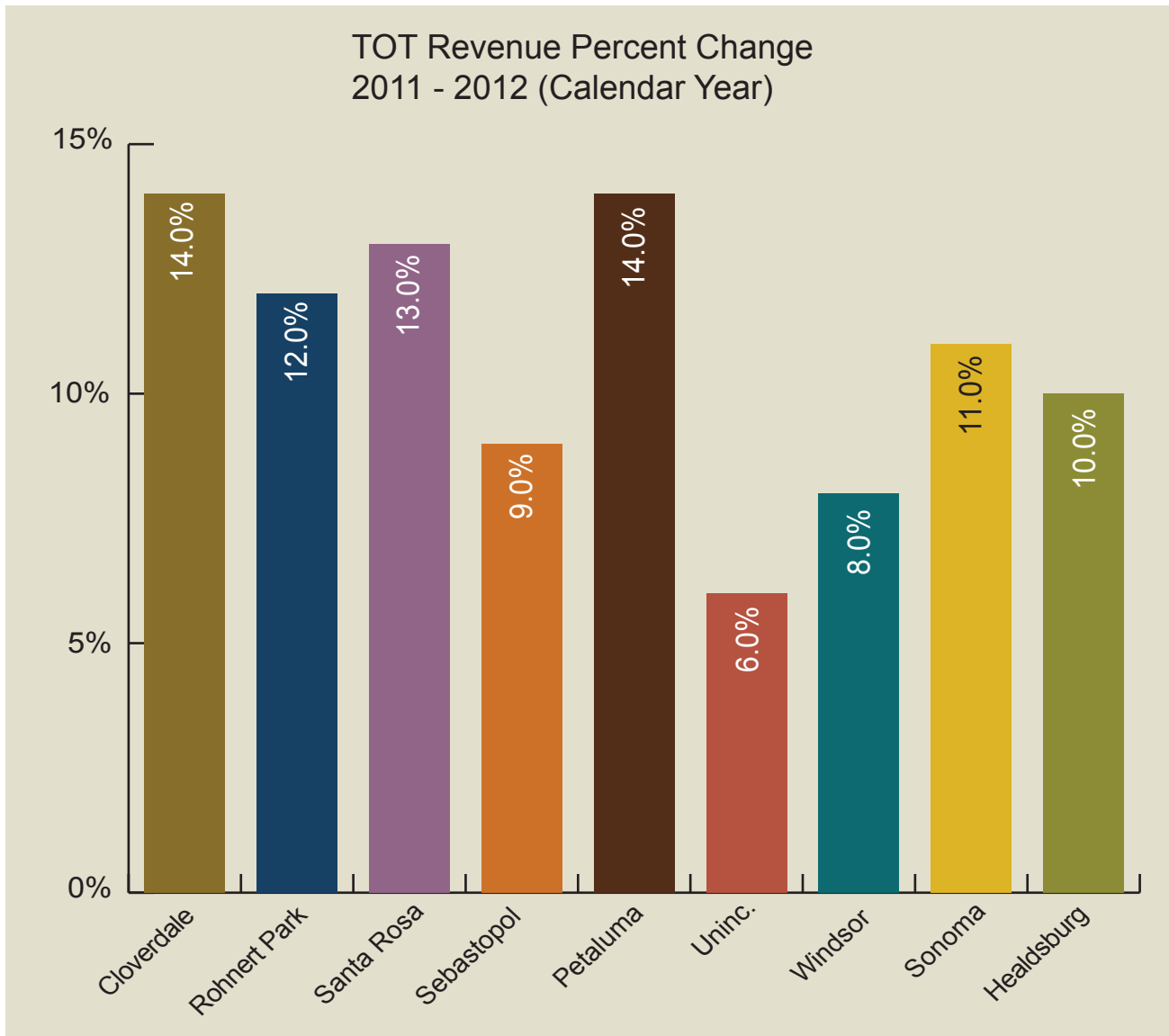
# TOT Revenues by Quarter

Cities, Unincorporated, & Total County



# Annual TOT Trends

Annual percent change 2011 - 2012 (Calendar Year)



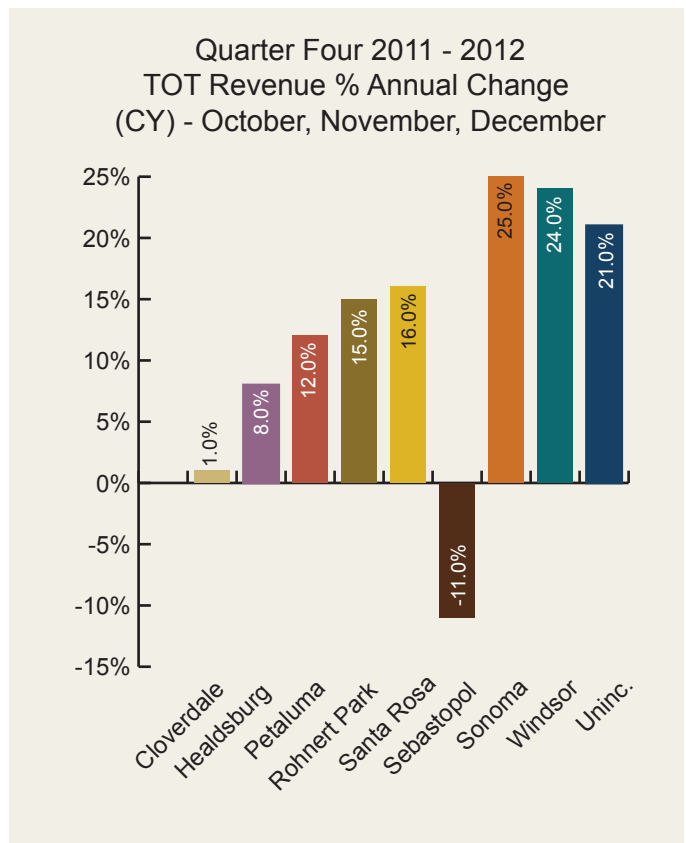
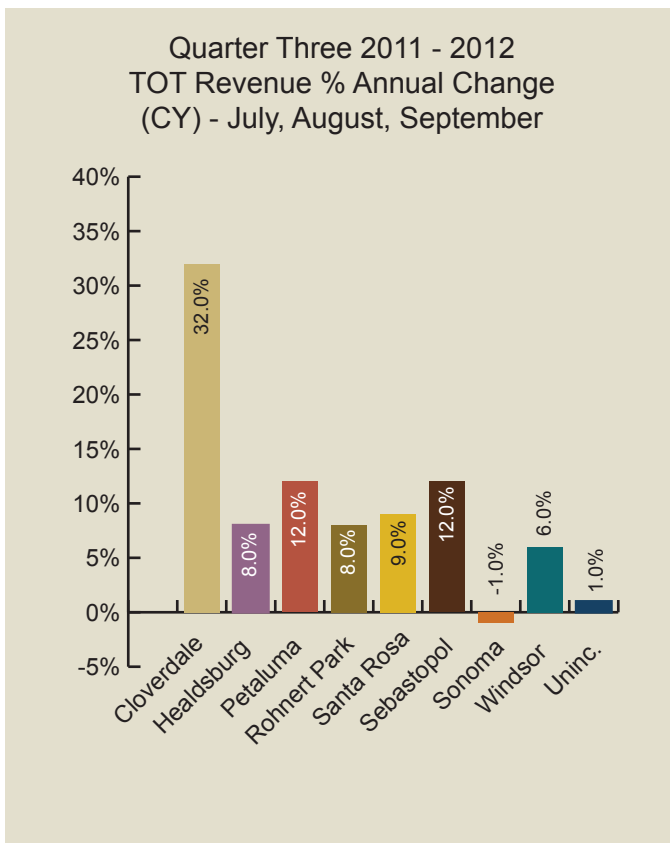
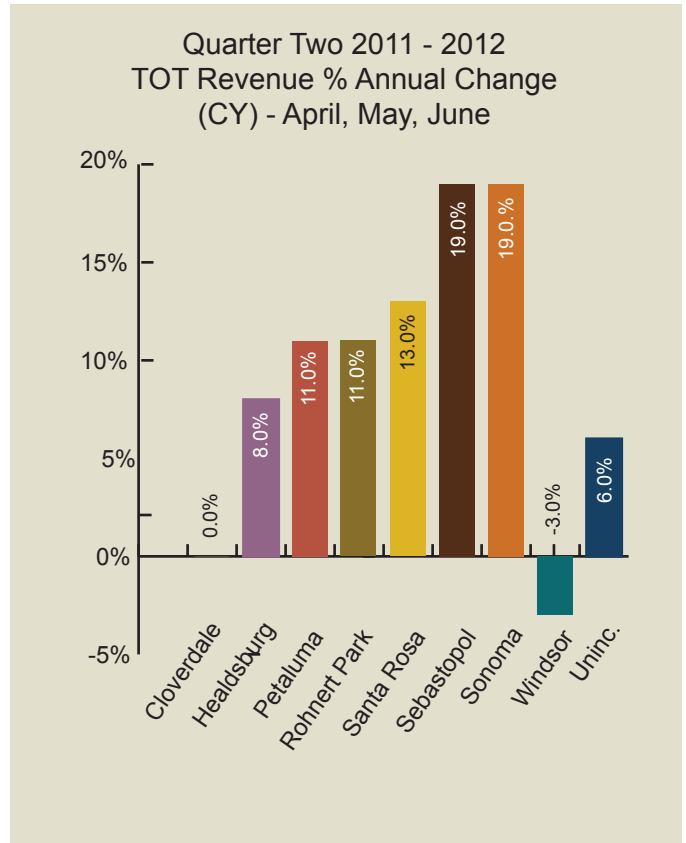
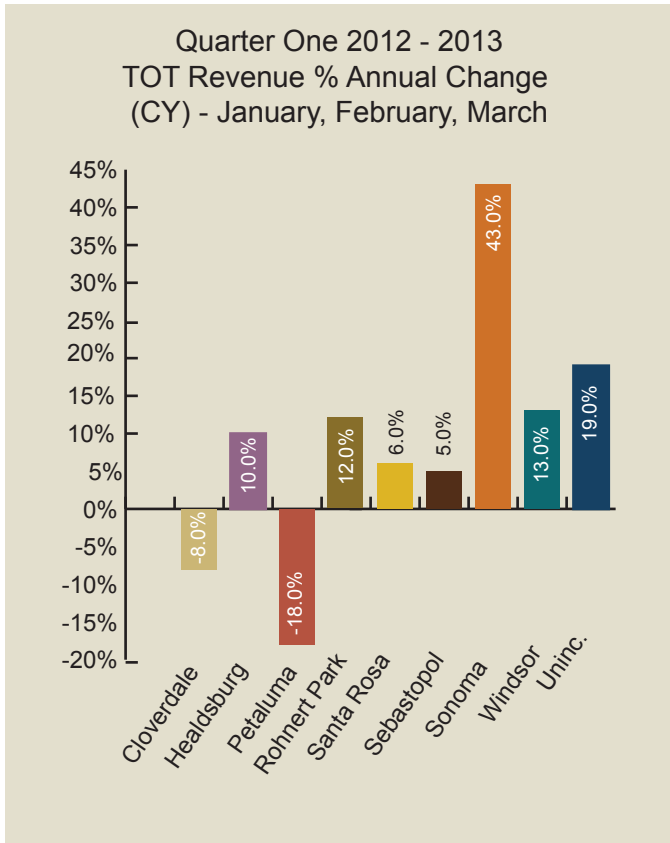
This section shows the annual percentage change in TOT revenues based on the most recent annual data (calendar year).

## Summary of findings:

- From 2011 - 2012, all cities and unincorporated areas of Sonoma County experienced positive growth in annual TOT revenue. Each city, and the county overall experienced higher growth rates in 2012 than in 2011. The overall growth rate for the entire county for 2012 over 2011 was 9%. This would indicate that overnight travel is returning to Sonoma County.

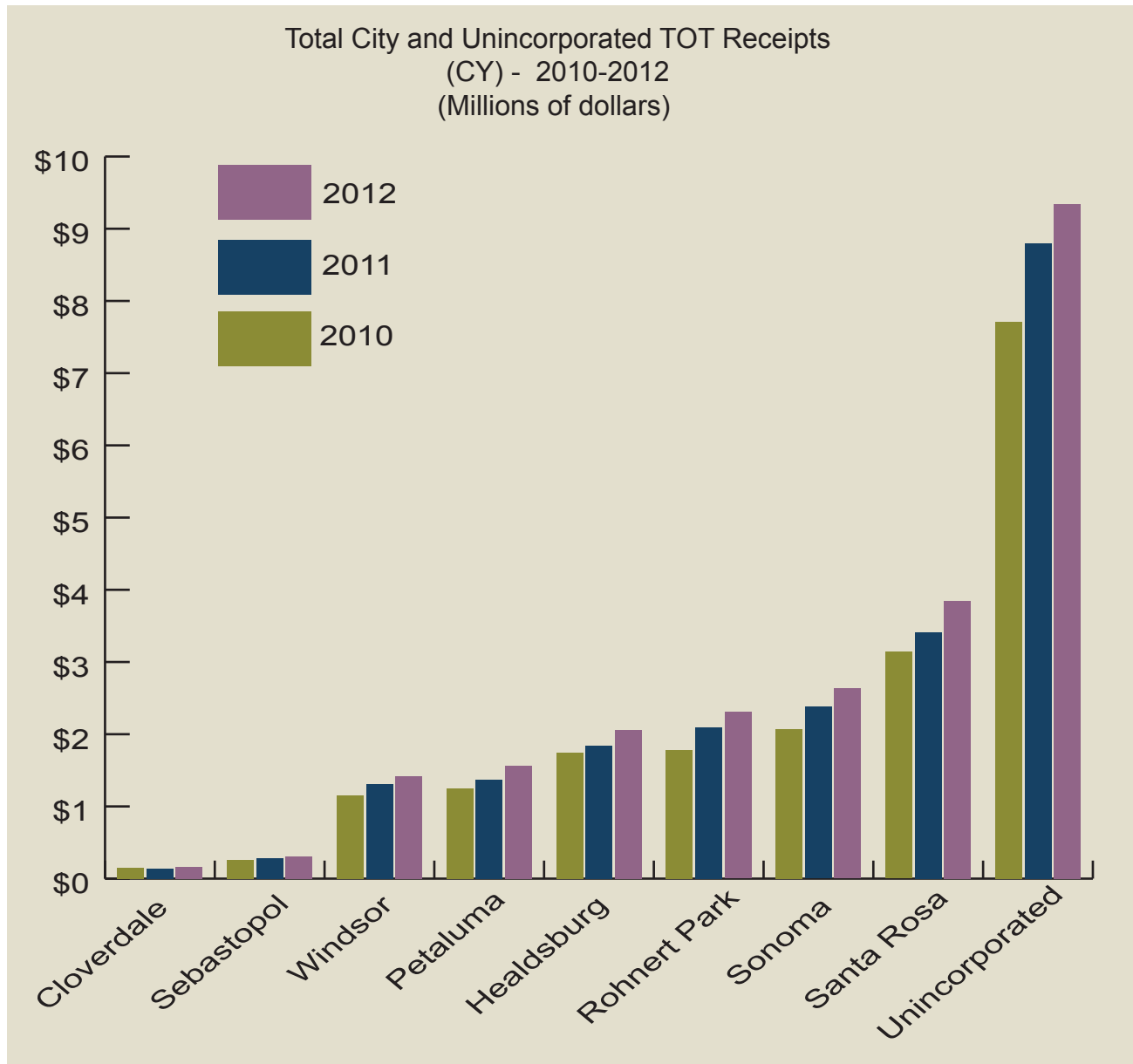
# TOT Trends by Quarter

TOT Revenue percent change - quarter over quarter



# Annual City & Unincorporated TOT Receipts

Total City & Unincorporated TOT Receipts 2010 - 2012



This section analyzes the year-over-year TOT revenue trends for each city and the unincorporated areas from calendar year (CY) 2010 - 2012.

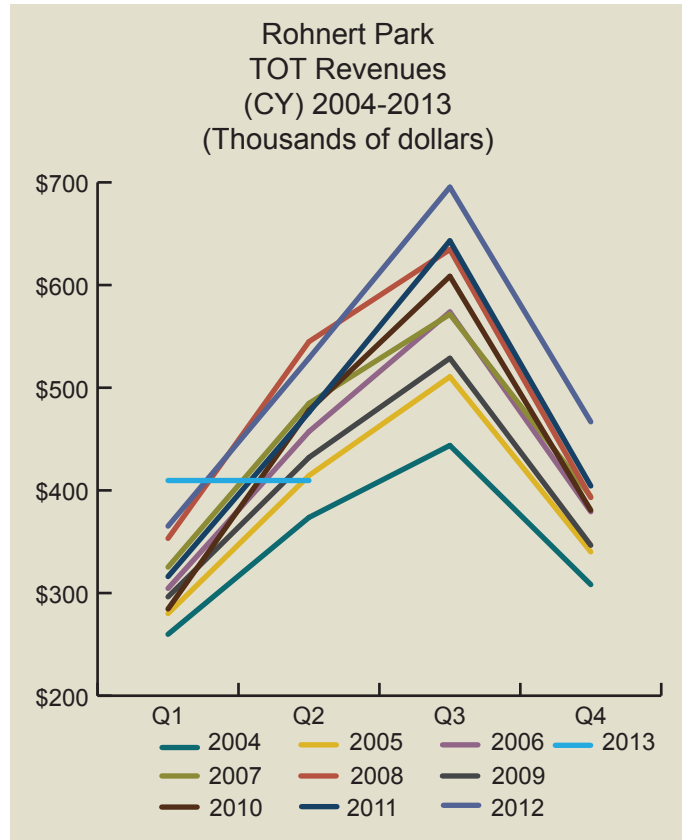
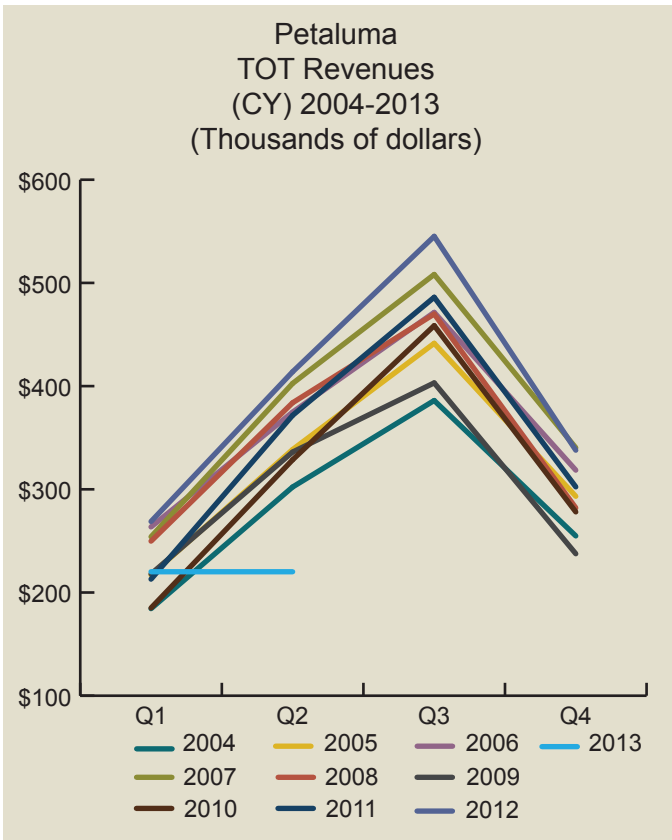
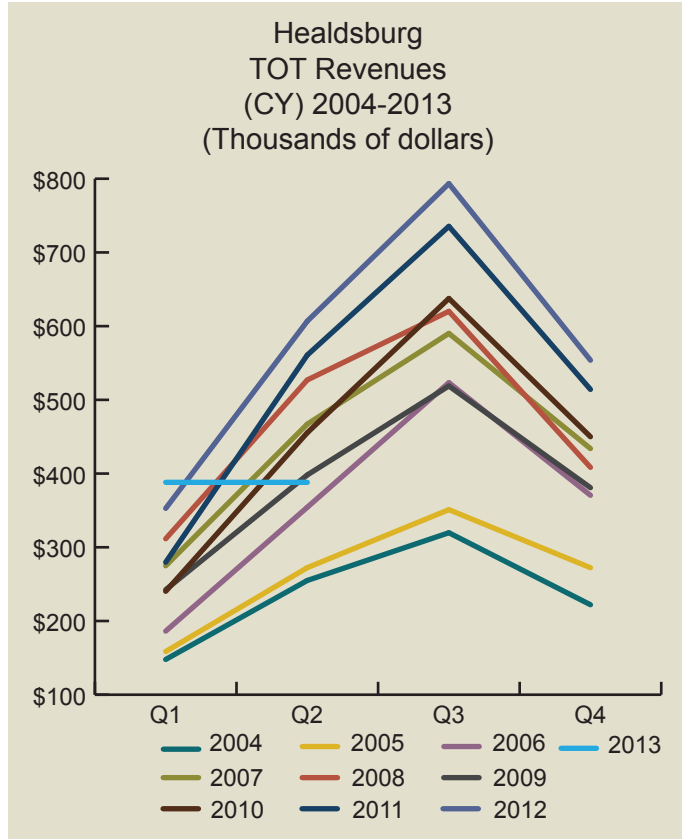
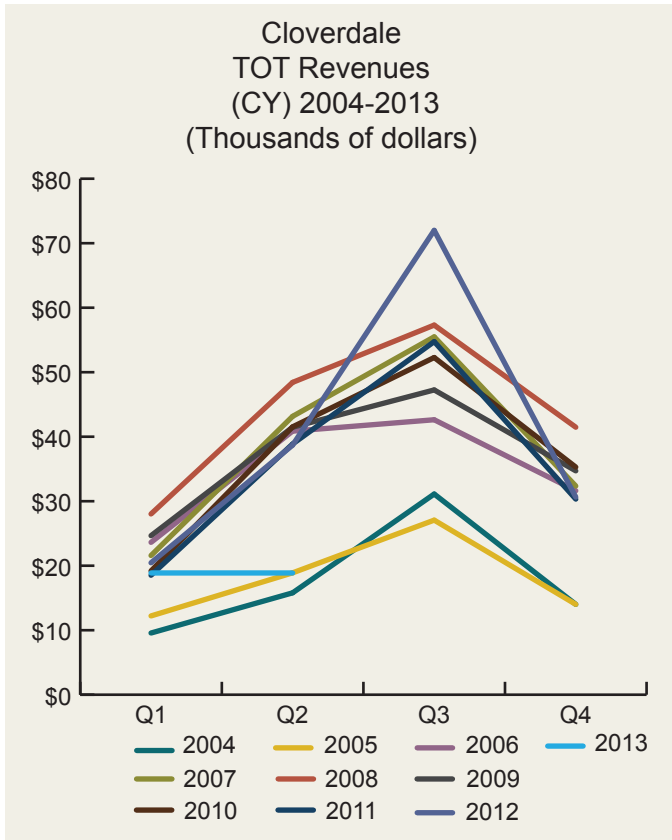
## Summary of Findings:

- The county as a whole experienced significant growth in year over year TOT revenues in 2012. County TOT revenues experienced a 9% growth from \$21.64 millions in 2011 to \$23.63 million in 2012.
- Petaluma experienced the greatest growth with a 14% increase from \$1.37 million in 2011 to \$1.57 million in 2012. However, the unincorporated areas and Santa Rosa had the highest revenues at \$9.34 million and \$3.84 million, respectively.
- It is important to note that travel to Sonoma County is cyclical and third quarter (July, August, September) provides a disproportionate share of Sonoma County's TOT revenues.



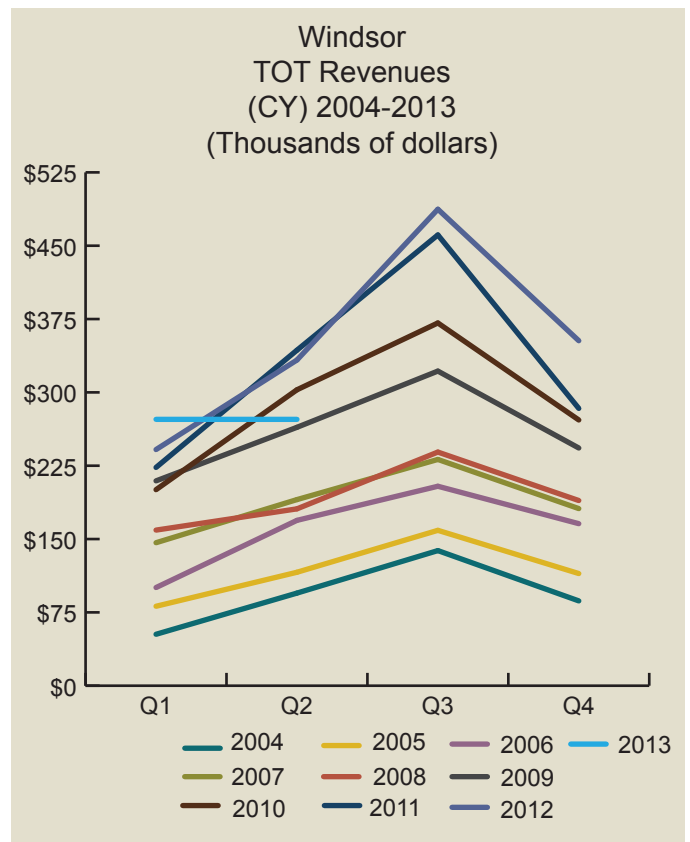
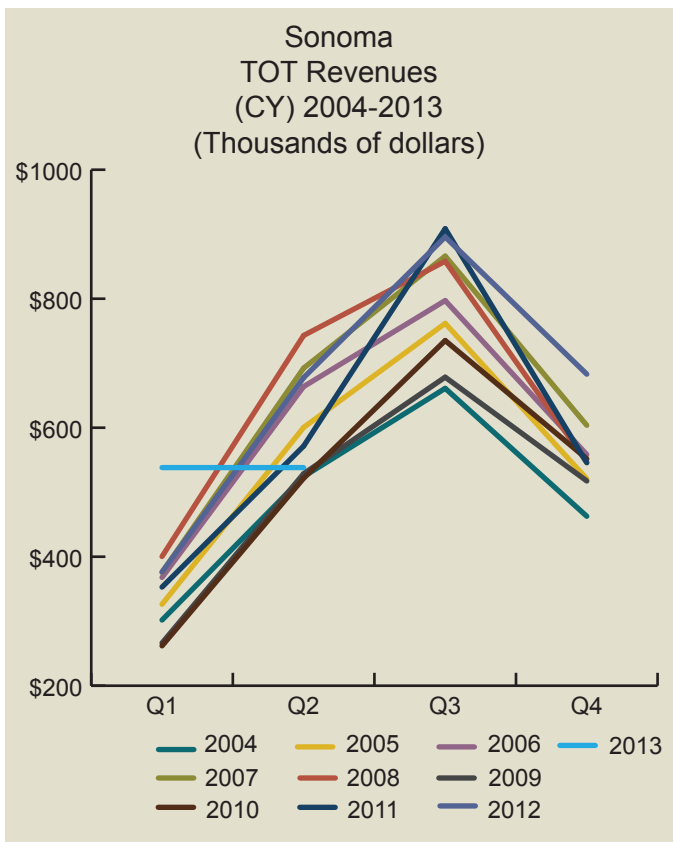
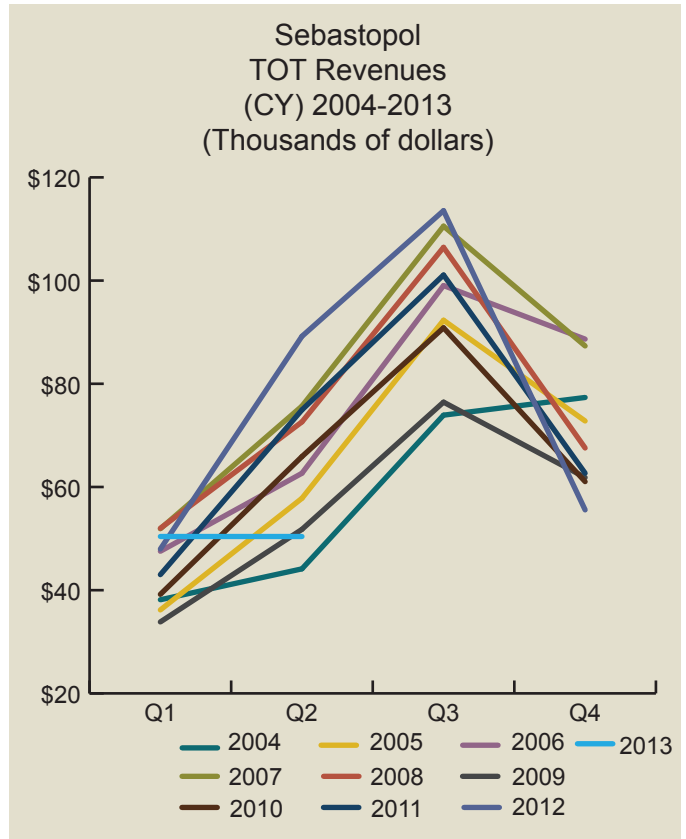
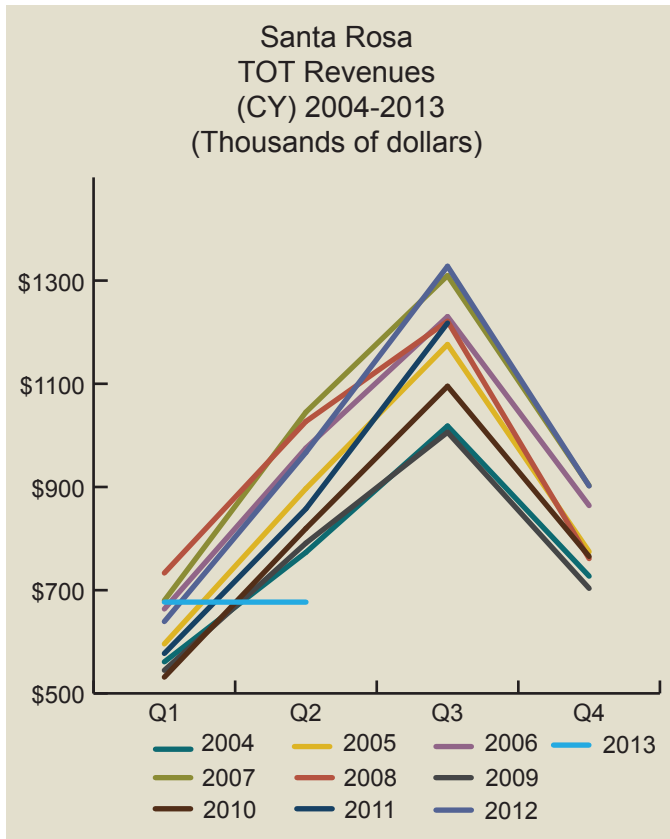
# TOT Historical Comparison by City

Cloverdale, Healdsburg, Petaluma, Rohnert Park



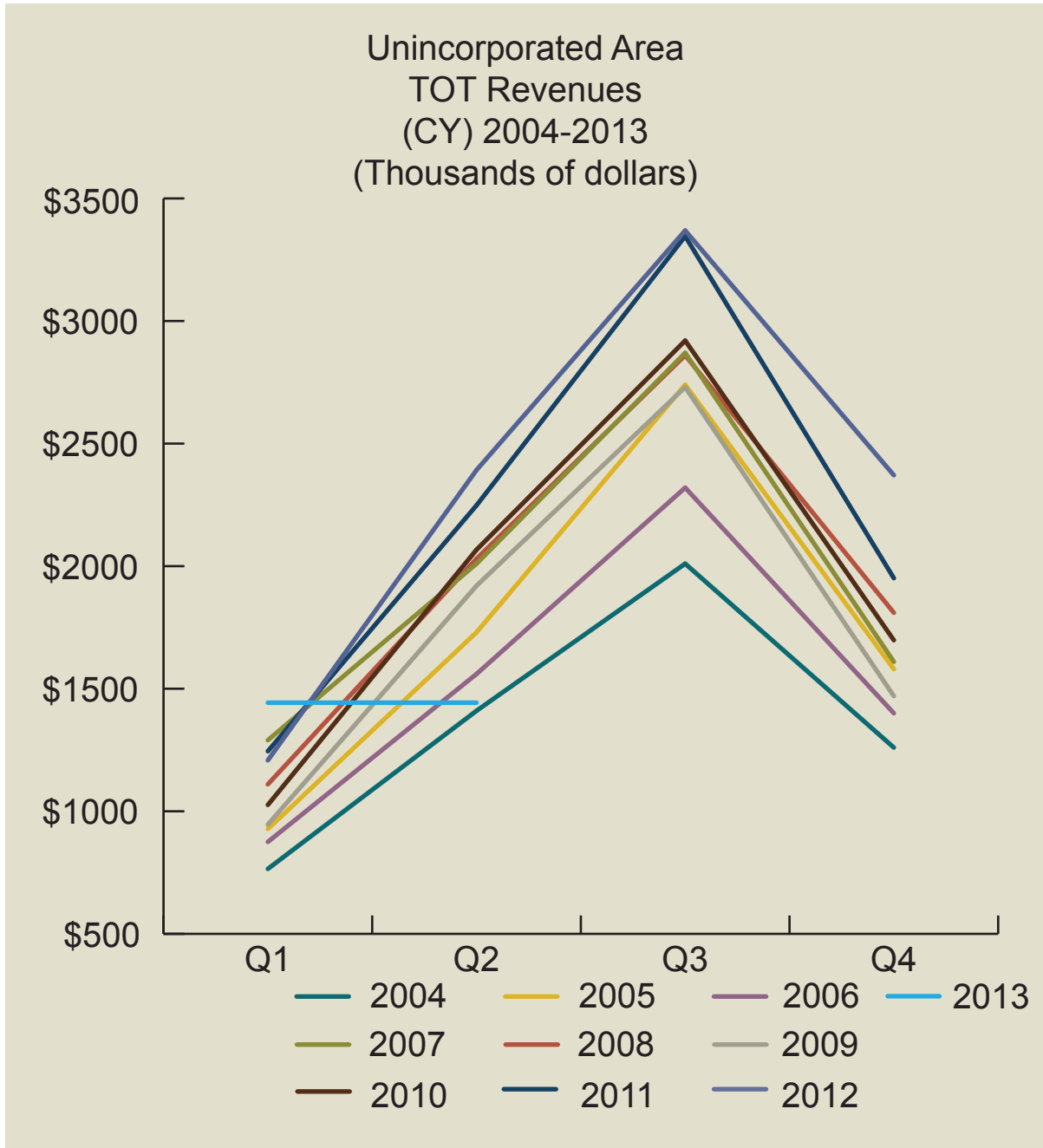
# TOT Historical Comparison by City

Santa Rosa, Sebastopol, Sonoma, Windsor



# TOT Historical Comparison

Unincorporated Area



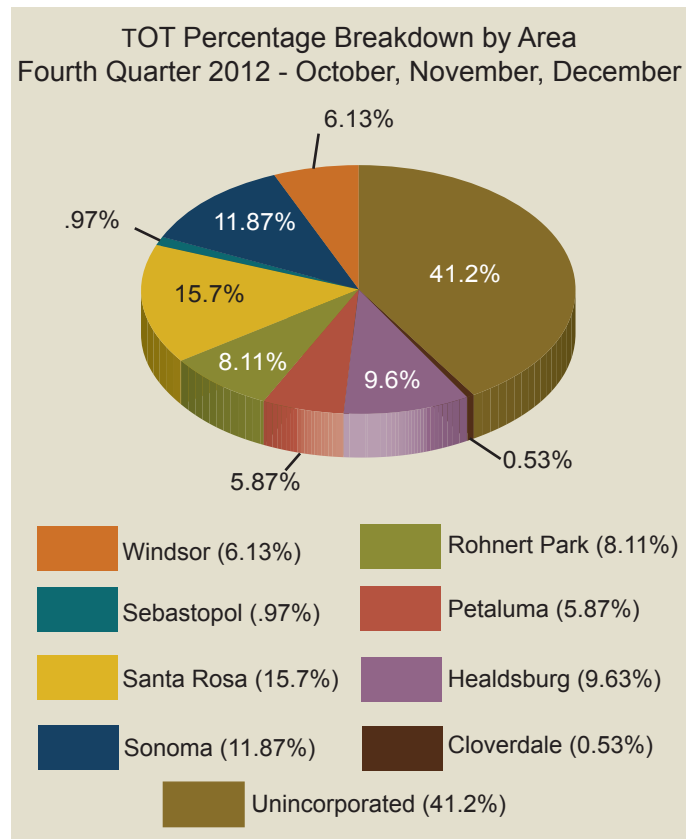
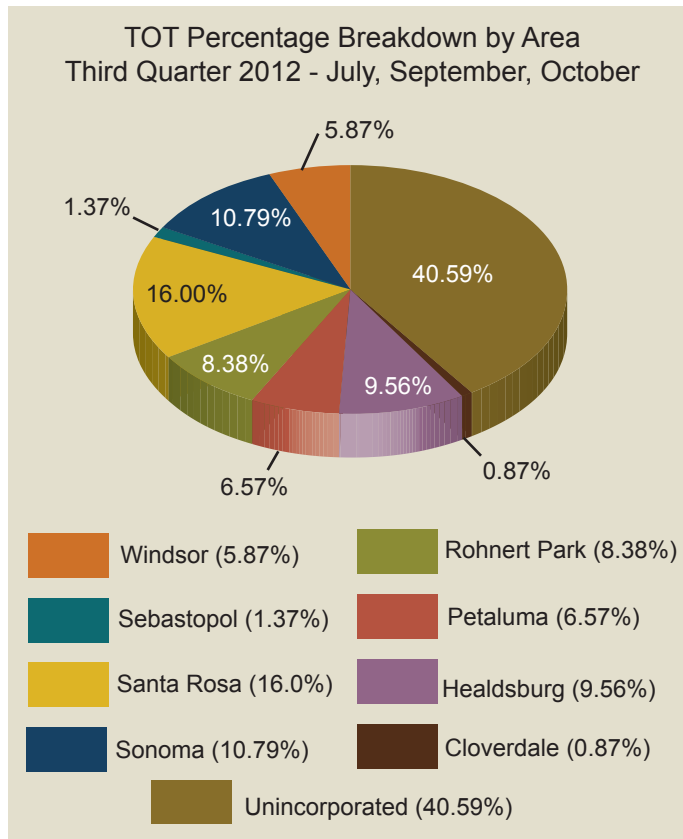
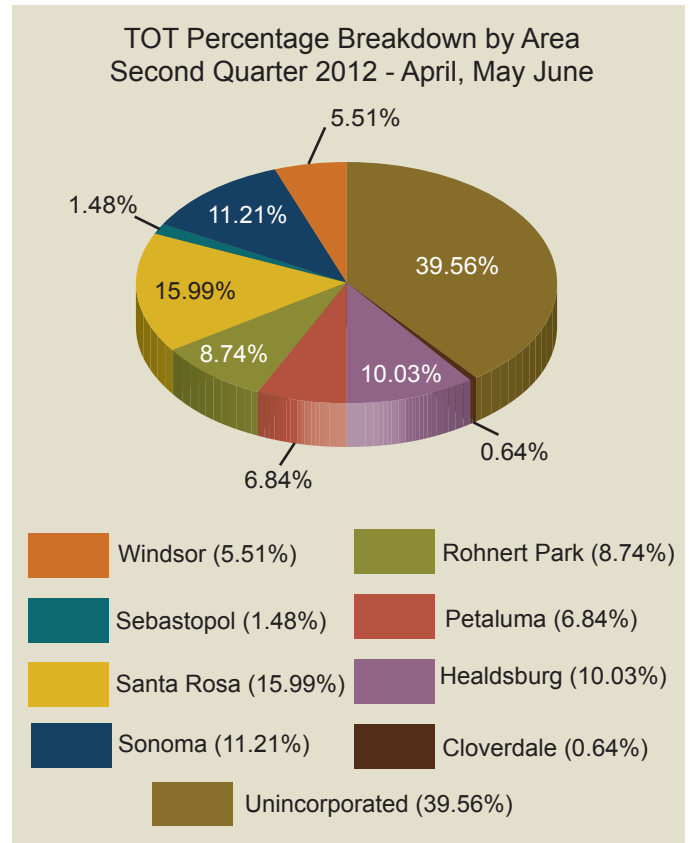
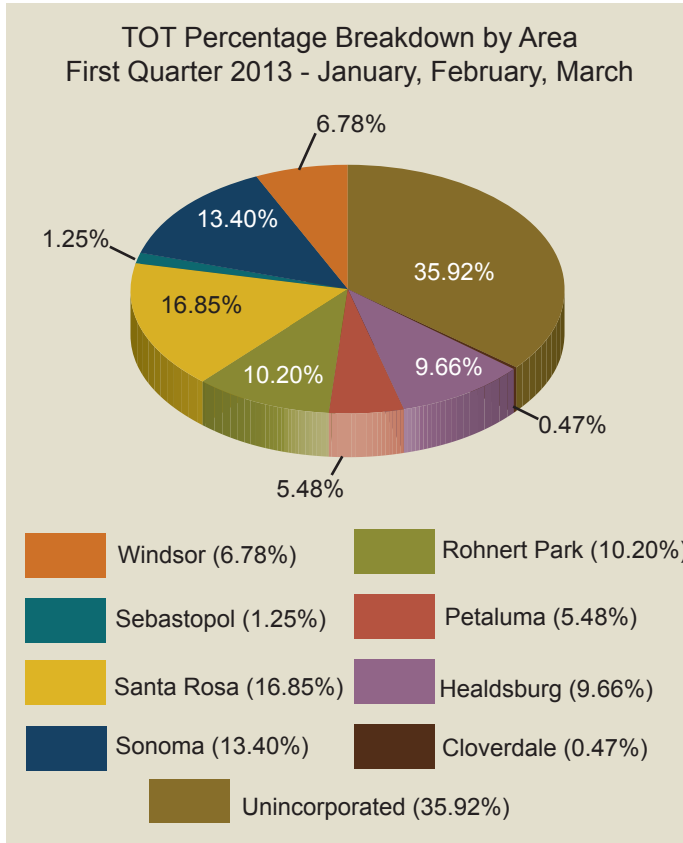
# Data Table

## Historical TOT Figures

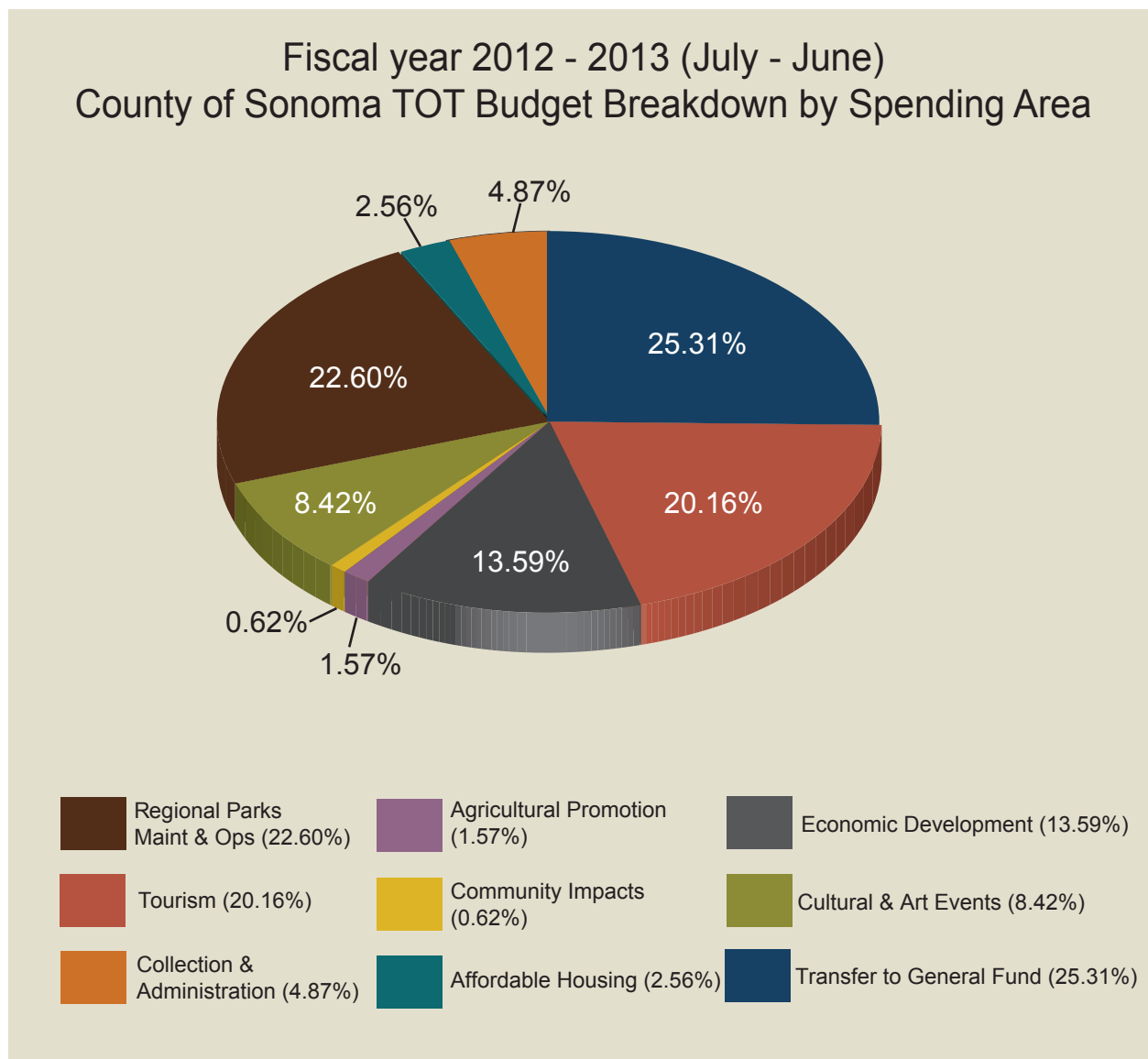
	Unincorp.	Cloverdale	Healdsburg	Petaluma	Rohnert Park	Santa Rosa	Sebastopol	Sonoma	Windsor
2004									
1st QTR.	\$764,884	\$9,565	\$147,825	\$184,349	\$259,806	\$561,113	\$38,144.91	\$301,780	\$52,601
2nd QTR.	\$1,406,744	\$15,794	\$254,971	\$302,239	\$373,616	\$773,369	\$44,132.11	\$524,222	\$94,717
3rd QTR.	\$2,009,232	\$31,115	\$319,719	\$386,055	\$443,765	\$1,018,159	\$73,918.28	\$661,036	\$138,193
4th QTR.	\$1,259,934	\$14,008	\$222,061	\$254,840	\$308,238	\$727,173	\$77,347.03	\$462,692	\$86,749
TOTAL	\$5,440,793	\$70,482	\$944,576	\$1,127,483	\$1,385,425	\$3,079,814	\$233,542	\$1,949,730	\$372,260
2005									
1st QTR.	\$874,589	\$12,215	\$158,586	\$217,084	\$280,030	\$595,852	\$36,171.36	\$326,257	\$81,247
2nd QTR.	\$1,557,993	\$18,895	\$272,366	\$338,560	\$414,424	\$896,985	\$57,806.30	\$600,370	\$116,027
3rd QTR.	\$2,318,819	\$27,067	\$351,015	\$441,484	\$510,674	\$1,176,149	\$92,316.15	\$761,769	\$158,914
4th QTR.	\$1,401,447	\$14,011	\$272,296	\$293,231	\$340,087	\$774,645	\$72,790.92	\$520,698	\$114,714
TOTAL	\$6,152,848	\$72,188	\$1,054,263	\$1,290,359	\$1,545,215	\$3,443,631	\$259,085	\$2,209,094	\$470,902
2006									
1st QTR.	\$928,273	\$23,621	\$186,236	\$263,544	\$304,489	\$663,594	\$47,543.70	\$367,837	\$100,399
2nd QTR.	\$1,732,996	\$40,864	\$354,289	\$374,805	\$457,210	\$975,400	\$62,658.38	\$663,755	\$169,106
3rd QTR.	\$2,743,308	\$42,629	\$523,310	\$471,452	\$573,850	\$1,230,230	\$99,028.61	\$797,138	\$203,995
4th QTR.	\$1,576,508	\$31,626	\$370,539	\$318,573	\$379,172	\$864,001	\$88,655.18	\$558,371	\$165,725
TOTAL	\$6,981,086	\$138,740	\$1,434,374	\$1,428,374	\$1,714,721	\$3,733,225	\$297,886	\$2,387,101	\$639,225
2007									
1st QTR.	\$1,111,857	\$21,580	\$274,878	\$254,041	\$325,240	\$680,012	\$51,901.10	\$375,866	\$146,237
2nd QTR.	\$2,031,470	\$43,157	\$467,096	\$402,609	\$484,765	\$1,045,132	\$75,673.04	\$692,375	\$190,346
3rd QTR.	\$2,858,897	\$55,483	\$590,147	\$508,194	\$571,520	\$1,309,685	\$110,549.28	\$866,074	\$231,410
4th QTR.	\$1,807,310	\$32,358	\$433,883	\$340,274	\$393,932	\$902,546	\$87,332.33	\$603,732	\$181,143
TOTAL	\$7,809,534	\$152,578	\$1,766,004	\$1,505,118	\$1,775,457	\$3,937,375	\$325,456	\$2,538,047	\$749,136
2008									
1st QTR.	\$1,289,874	\$28,022	\$311,526	\$249,762	\$353,189	\$733,276	\$51,992	\$400,313	\$159,143
2nd QTR.	\$2,014,375	\$48,422	\$526,998	\$383,884	\$544,846	\$1,027,031	\$72,611	\$742,978	\$180,873
3rd QTR.	\$2,872,890	\$57,306	\$620,068	\$469,838	\$634,567	\$1,221,170	\$106,440	\$858,075	\$238,950
4th QTR.	\$1,613,795	\$41,472	\$408,422	\$282,038	\$393,008	\$761,227	\$67,558	\$546,326	\$189,400
TOTAL	\$7,790,934	\$175,222	\$1,867,014	\$1,385,522	\$1,925,611	\$3,742,704	\$298,600	\$2,547,692	\$768,366
2009									
1st QTR.	\$945,598	\$24,658	\$242,455	\$217,974	\$296,290	\$544,743	\$33,847	\$266,213	\$209,493
2nd QTR.	\$1,918,165	\$41,472	\$398,126	\$336,119	\$432,015	\$791,316	\$51,783	\$528,719	\$264,255
3rd QTR.	\$2,725,730	\$47,252	\$518,841	\$403,133	\$528,712	\$1,006,062	\$76,443	\$678,372	\$321,779
4th QTR.	\$1,466,080	\$34,707	\$380,846	\$237,566	\$346,532	\$703,559	\$61,839	\$517,425	\$243,108
TOTAL	\$7,055,573	\$148,090	\$1,540,267	\$1,194,792	\$1,603,550	\$3,045,680	\$223,912	\$1,990,729	\$1,038,635
2010									
1st QTR.	\$1,025,729	\$19,191	\$240,268	\$185,020	\$284,473	\$531,501	\$39,194	\$261,783	\$200,478
2nd QTR.	\$2,066,768	\$41,532	\$455,403	\$328,607	\$477,902	\$819,705	\$65,892	\$521,603	\$302,648
3rd QTR.	\$2,914,897	\$52,281	\$637,550	\$458,606	\$608,551	\$1,095,239	\$90,850	\$735,175	\$370,985
4th QTR.	\$1,698,113	\$35,290	\$449,969	\$278,113	\$380,650	\$765,413	\$61,039	\$551,755	\$271,769
TOTAL	\$7,705,506	\$148,293	\$1,783,190	\$1,250,346	\$1,751,576	\$3,211,858	\$256,975	\$2,070,316	\$1,145,879
2011									
1st QTR.	\$1,245,786	\$18,518	\$279,708	\$212,922	\$316,041	\$577,394	\$43,010	\$352,882	\$223,231
2nd QTR.	\$2,248,535	\$38,872	\$560,767	\$371,683	\$476,037	\$857,815	\$74,938	\$571,481	\$343,143
3rd QTR.	\$3,346,902	\$54,742	\$735,373	\$486,115	\$643,120	\$1,217,602	\$101,079	\$908,591	\$461,011
4th QTR.	\$1,951,855	\$30,328	\$514,165	\$302,368	\$404,315	\$774,822	\$62,679	\$545,717	\$283,596
TOTAL	\$8,793,077	\$142,461	\$2,090,013	\$1,373,088	\$1,839,513	\$3,427,633	\$281,707	\$2,378,670	\$1,310,981
2012									
1st QTR.	\$1,208,612	\$20,451	\$352,782	\$268,811	\$365,172	\$639,225	\$47,978	\$376,266	\$241,512
2nd QTR.	\$2,391,897	\$38,695	\$606,790	\$413,880	\$528,735	\$974,865	\$89,201	\$677,555	\$333,094
3rd QTR.	\$3,369,032	\$71,993	\$793,361	\$545,145	\$695,365	\$1,327,717	\$113,550	\$895,755	\$487,306
4th QTR.	\$2,370,828	\$30,643	\$553,803	\$337,904	\$466,776	\$902,002	\$55,563	\$683,024	\$352,831
TOTAL	\$9,340,369	\$161,781	\$2,306,736	\$1,565,740	\$2,056,048	\$3,843,809	\$306,291	\$2,632,600	\$1,414,744
2013									
1st QTR.	\$1,442,848	\$18,876	\$388,100	\$220,116	\$409,604	\$676,866	\$50,403	\$538,172	\$272,403
2nd QTR.									
3rd QTR.									
4th QTR.									
TOTAL	\$1,442,848	\$18,876	\$388,100	\$220,116	\$409,604	\$676,866	\$50,403	\$538,172	\$272,403

# TOT Historical Percentage Breakdown by Area

Breakdown by Area for Past Four Quarters



## Sonoma County TOT Spending

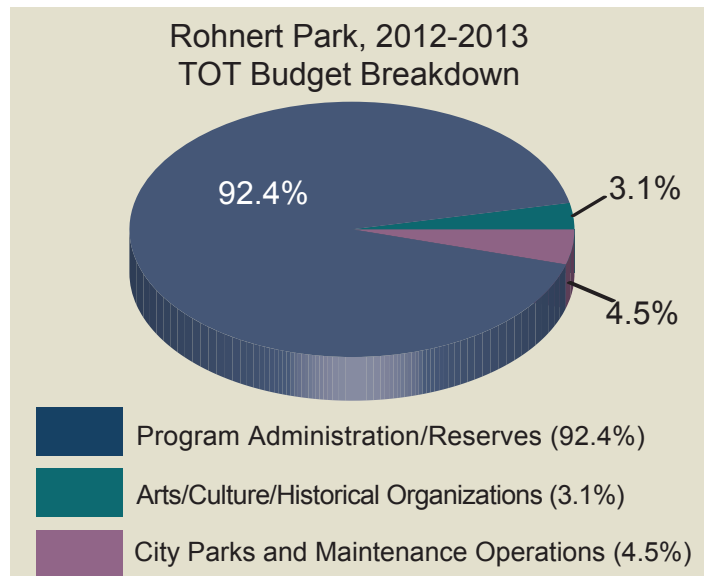
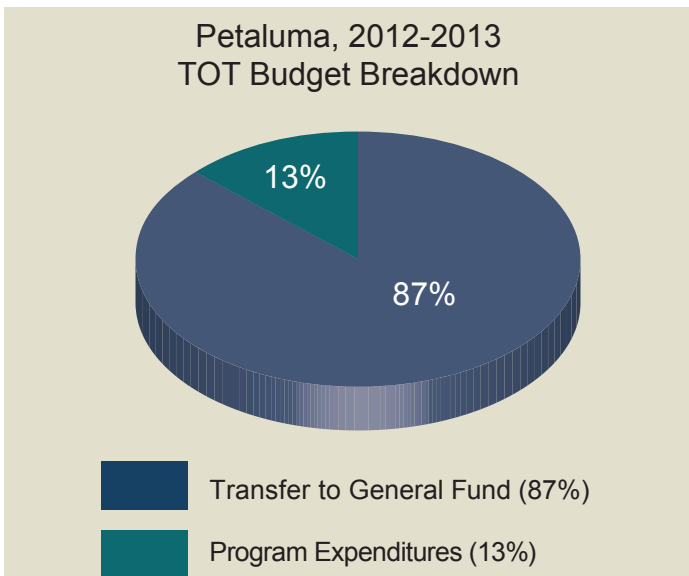
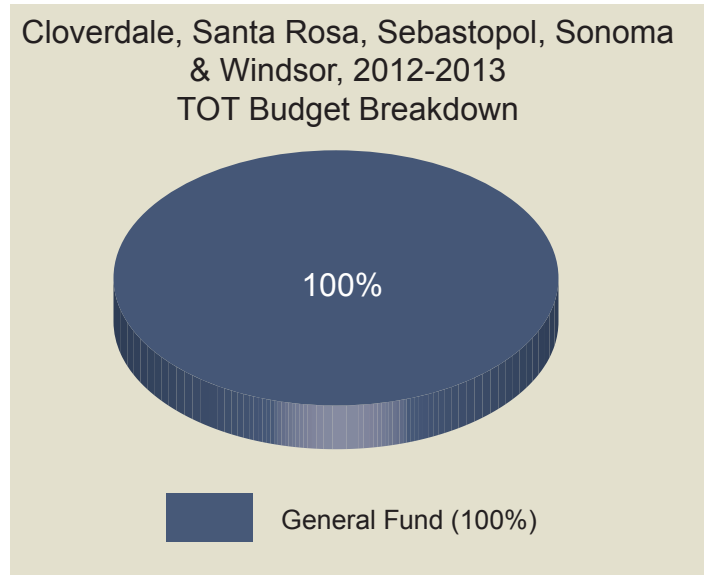
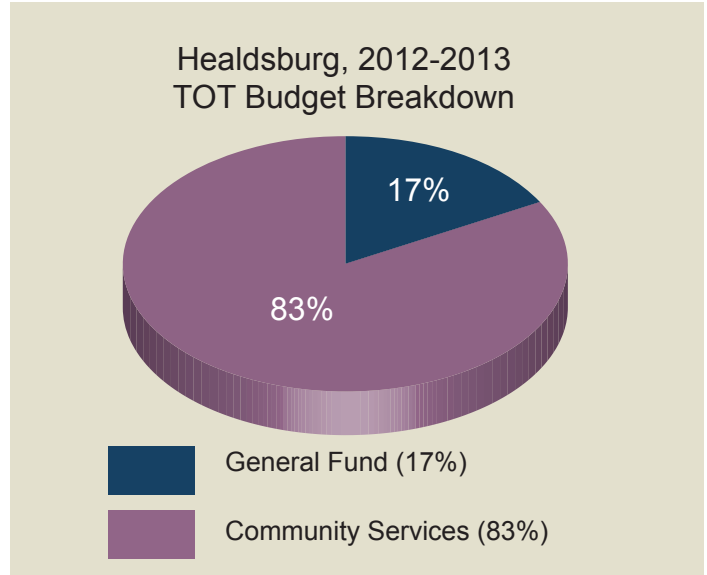


- TOT tax revenues are derived from a 9.0% tax on the rental of hotel and motel rooms, inn beds, and campgrounds in the unincorporated areas. ( Revenues derived from this tax are subject to the Proposition 4 limit.)
- The proposed budget reflects the continuation of the Board of Supervisor’s policy that 75% of the tax proceeds be allocated to the advertising fund and 25% of the proceeds be allocated to the county general fund.

# TOT Spending Breakdown by City

The General Fund provides funding for a wide range of city needs, including: Fire, Police, Planning & Building, Public Works, Administration, and Community Services.

TOT Budget Breakdown by city is provided by each respective city's finance representative.



# Industry Development

## City Industry Development Update

This section provides information on current expansions and new lodging developments occurring in Sonoma County. All data contained within this section is sourced from the city planners of each jurisdiction.

### Summary of Findings:

- Sonoma County currently has 21 lodging property applications in the approval process.
- When completed, current construction will add between 1174 and 1224 rooms to Sonoma County.

**First Quarter 2013  
Industry Development Table - By City**

Development Type	Project Name	Lodging Classifications	Address/Location	Rooms Proposed	Completion Year (Est.)
<b>City of Cloverdale</b>					
New	Alexander Valley Resort	Full Service	Southeast Cloverdale	100-150	2012
<b>City of Healdsburg</b>					
New	Saggio Hill	Luxury/Resort/Spa	91 Acres in N. Hbg.	130	2015
New	Garden Court Inn	Limited Service	146 Healdsburg Ave	23	N/A
New	The Wheelman House	Limited Service	223 Center Street	3	2013
<b>City of Petaluma</b>					
New	Silk Mill Hotel	Full Service	450 Jefferson St	95	N/A
New	The Petaluman	Boutique Luxury	2 Petaluma Blvd S.	53	2015
<b>City of Santa Rosa</b>					
Expansion	Fountaingrove Inn	Full Service	3586 Mendocino Ave	22	N/A
New	Fairfield Inn	Full Service	111 Commercial Court	108	N/A
New	Holiday Inn Express Hotel and suites	Limited Service	3745 Airway Drive	143	N/A
<b>City of Sonoma</b>					
New	Anderson Hotel	Full Service	117, 123, 135 & 153 Wes	59	2015
Expansion	Inn at Sonoma Annex	Full Service	640 Broadway	8	2013
<b>Town of Windsor</b>					
New	Holiday Inn	Full Service	8755 Old Redwood hwy	100	N/A
<b>City of Sebastopol</b>					
New	French Garden Inn	Limited Service	8050 Bodega Avenue	18	N/A
<b>New Room Totals:</b>				862-912	

The city of Rohnert Park did not report any new development or expansion through the first quarter (January, February, March) calendar year 2013.

The above lodging properties are in various stages of completion. This report is meant to merely provide a 'snapshot' of their current status during the time this report was produced. The EDB and SCT will continue to update this information, quarterly, based on information from each jurisdiction.



# Industry Development

## Unincorporated Area Industry Development Update

First Quarter 2013				
Unincorporated Area Development Table				
Development Type/ Project Name	Lodging Classifications	Address/Location	Rooms Proposed	Completion Year (Est.)
<b>New</b>				
Sonoma Country Inn (Graywood Ranch)	Luxury/Resort	7945 Highway 12, Kenwood	50	Completion date unknown
Guernwood Park Resort	Luxury/Resort	17155 Highway 116, Guerneville	120	Completion date unknown
Thiessen- Forestville Plaza	Limited Service	Front St. & Hwy 116, Forestville	18	Completion date unknown
<b>Expansion</b>				
Sea Ranch Lodge	Luxury/Resort	60 Sea Walk Dr, Sea Ranch	40	Completion date unknown
Vintner's Inn	Luxury/Resort	4300 Barnes Rd, Santa Rosa	36	Completion date unknown
Bodega Coast Inn	Limited Service	521 Highway 1, Bodega Bay	12	Completion date unknown
Ocean Song (Campsites)	Campground	19999 Coleman Valley Rd, Bodega Bay	30	Completion date unknown
Kenwood Inn	Limited Service	10400 Hwy 12, Kenwood	6	No permits pulled yet.
<b>New Room Totals:</b>			312	

The above lodging properties are in various stages of completion. This report is meant to merely provide a 'snapshot' of their current status during the time this report was produced. The EDB and SCTB will continue to update this information, quarterly, based on information from the Permit & Resource Management Department.



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