



County of Santa Barbara Annual Transient Occupancy Tax Report

Fiscal Year Ended June 30, 2008

Countywide Transient Occupancy Taxes

In 1963, local governments were granted the power to tax the privilege of occupying a room for a period less than 30 days in a hotel, inn, or house located in their jurisdiction. The transient occupancy tax (TOT), currently 10% of the daily rent, is collected by the operator and then remitted to the jurisdiction in which the hotel is located. The City of Santa Barbara has an additional 2% TOT due to the passage of Measure B2000 effective January 2001 to fund Clean Water and Creek Restoration Programs.

Transient Occupancy Tax countywide reached \$34.5 million in fiscal year 2007-08, a 3.7% growth from 2006-07. Incorporated cities receive the largest share of TOT at \$27.3 million while the unincorporated area generated \$7.2 million.

Hotel / Motel Room Transient Occupancy Taxes by Jurisdiction

	2005-2006		2006-2007		2007-2008	
	<u>Amount</u>	Change from Prior <u>Year</u>	<u>Amount</u>	Change from Prior <u>Year</u>	<u>Amount</u>	Change from Prior <u>Year</u>
Cities:						
Santa Barbara	\$14,438,846	8.6%	\$15,229,351	5.5%	\$15,522,708	1.9%
Goleta—City Share ¹	2,603,305	14.1%	2,538,572	-2.5%	2,783,144	9.6%
Santa Maria	2,220,887	-0.8%	2,373,710	6.9%	2,396,491	1.0%
Solvang	2,198,197	19.0%	2,406,003	9.5%	2,418,395	0.5%
Carpinteria	1,243,852	5.6%	1,452,709	16.8%	1,415,000	-2.6%
Lompoc	1,227,611	0.3%	1,371,106	11.7%	1,491,662	8.8%
Buellton	1,139,710	10.3%	1,273,905	11.8%	1,290,390	1.3%
Guadalupe	—	—	—	—	—	—
Total	\$25,072,408	8.5%	\$26,645,356	6.3%	\$27,317,790	2.5%
Unincorporated Areas:						
Montecito	2,079,825	3.0%	3,252,936	56.4%	3,860,051	18.7%
Goleta –County Share ¹	1,735,537	14.1%	1,692,381	-2.5%	1,599,120	-5.5%
Goleta Valley	1,118,202	30.8%	1,115,678	-0.2%	1,148,712	3.0%
Santa Ynez	433,158	8.9%	461,697	6.6%	462,963	0.3%
North County	130,443	21.3%	84,060	-35.6%	84,106	0.1%
Total	\$5,497,165	12.2%	\$6,606,752	20.2%	\$7,154,952	8.3%
Countywide Total	\$30,569,573	9.2%	\$33,252,108	8.8%	\$34,472,742	3.7%

¹ Per the revenue neutrality agreement, TOT generated in the City of Goleta is allocated 60% to the City and 40% to the County and will be in effect until June 30, 2012.

Data Source: TOT from the cities was provided by the city's finance department and TOT for the unincorporated area was obtained through the Auditor-Controller's Office.

Geographic Area Room Sales North County/South County

Santa Barbara County currently contains an estimated total of 187 hotels and motels throughout both the north and south regions. With the addition of 10 south county vacation rentals and 4 bed and breakfast locations, the county generates TOT revenues from 201 applicable businesses within county lines.

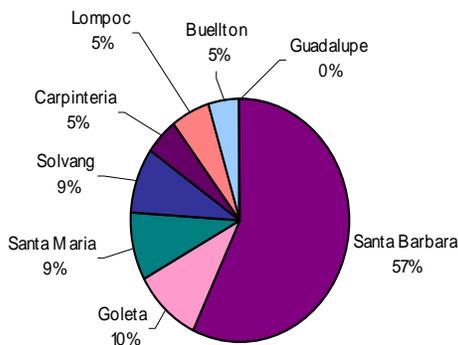
For the 2007-08 fiscal year, hotels and motels located in north county cities and unincorporated areas accounted for 24% (\$81.4 million) of the county's total hotel/motel room sales of \$344.7 million. Hotels, motels, and bed and breakfasts located within south county cities and unincorporated areas currently account for 76%, or \$263.3 million, of the county's total hotel/motel room sales. The City of Santa Barbara stands as the south county's biggest contributor with 79%, while Solvang contributes 32% of total north county sales.

(in thousands of dollars)

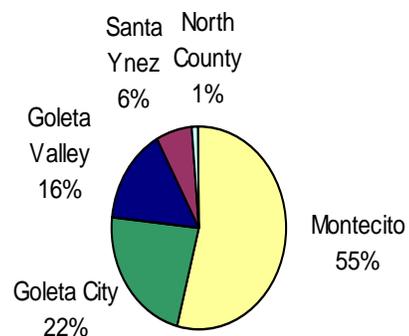
<u>Incorporated—Cities</u>	<u>Room Sales</u>		<u>Unincorporated— County</u>	<u>Room Sales</u>	
North:			North:		
Solvang	\$ 24,184		Santa Ynez	\$ 4,630	
Santa Maria	23,965		North County	<u>841</u>	
Lompoc	14,917		<i>Subtotal</i>	5,471	8%
Buellton	12,904				
Guadalupe	<u>-</u>				
<i>Subtotal</i>	75,970	28%			
South:			South:		
Santa Barbara	155,227		Montecito	38,600	
Goleta	27,831		Goleta Valley	15,991	
Carpinteria	<u>14,150</u>		Goleta City	<u>11,487</u>	
<i>Subtotal</i>	<u>197,208</u>	72%	<i>Subtotal</i>	<u>66,078</u>	92%
Total	<u>\$ 273,178</u>		Total	<u>\$ 71,549</u>	

Transient Occupancy Tax 2007-08

Cities



Unincorporated Areas of County



Countywide Hotel / Motels

UNINCORPORATED AREA

Montecito

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

Goleta Valley

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

Santa Ynez

Ballard Inn
 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
 Buckhorn
 Skyview Motel
 Union Hotel
 Victorian Mansion at Los Alamos
 White Oaks

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
 Purfrocks Garden Inn
 Sandyland Reef Inn
 Solimar Sands
 Sunset Shores
 Sea Shells Apartments
 ...plus 4 Bed and Breakfasts

CITY OF SANTA BARBARA

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
 Traveler's Motel
 Upham Hotel
 Villa Elegante
 Villa Rosa
 West Beach Inn
 White Jasmine Inn
 ...plus 10 Vacation Rentals

CITY OF SANTA MARIA

Best Value Inn
 Big America Hotel
 Buckboard Motor Lodge
 Colonial Motel
 Comfort Inn
 Deville Motel
 Economy Inn
 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
 Rose Garden 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 GUADALUPE

Santa Florita Hotel

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
 King Fredrick
 Kronborg Inn
 Petersen Village
 Royal Copenhagen
 Royal Scandia
 Solvang Gardens
 Solvang Inn & Cottages
 Storybook Inn
 Svendsgaard Lodge
 Viking Motel
 Wine Valley Inn
 Worldmark Club



Robert W. Geis, CPA
Santa Barbara County Auditor-Controller
105 E. Anapamu Street Room 303
Santa Barbara, CA 93101

Phone: (805) 568-2100
 Fax: (805) 568-2016
www.co.santa-barbara.ca.us/auditor

For more information please contact the
 Specialty Accounting Division in the County
 Auditor's Office.

Santa Barbara County

Hotels, motels, bed and breakfasts, and even campgrounds with lodging facilities pay a 10% room tax (12% for the City of Santa Barbara) collected from their guests. The businesses report the collections and submit the taxes to the city finance departments or the County Treasurer for the unincorporated area. These taxes are considered general taxes for the discretionary use by local governments.

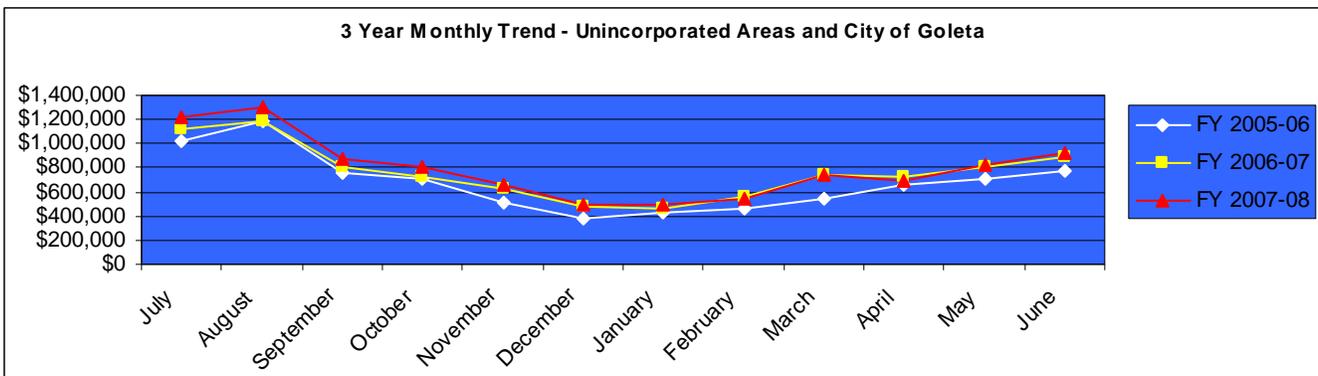
TOT Highlights for FY 2007-08

Cities

- TOT generated in the cities reached \$27.3 million and had a growth of 2.5% from the prior year.
- The City of Santa Barbara, which could be argued to be the most beautiful city in the United States, generates 45% of the TOT within the County.
- The Hampton Inn of Goleta, which opened in September 2007, is not subject to the neutrality agreement between the city and the County. Therefore, all TOT revenues earned solely benefit the City of Goleta and resulted in positive growth for the fiscal year.
- The City of Solvang continues to be the North County's largest TOT generator.

Unincorporated

- The unincorporated area generated \$7.2 million in TOT, which is a 8.3% growth from the prior year.
- The Montecito area generates about 54% of the TOT generated in the unincorporated area with the dominant generator in that area being the Four Seasons Biltmore.
- Montecito continues to generate the greatest growth due to two newly renovated hotels, the Four Seasons Biltmore and the San Ysidro Ranch.



Forecast

After posting nearly double digit growth in the County for the two prior fiscal years, TOT revenue growth has begun to slow. It is our expectation for TOT in the cities and county to remain steady or show slight growth based on what we have seen in prior years.