

# SRTBIA

## Santa Rosa Tourism Business Improvement Area

### **ANNUAL REPORT FY 2021-2022** **WORK PLAN FY 2022-2023**

City Council – August 23, 2022

---



**Rafael Rivero**, Economic Development Specialist  
Planning & Economic Development Department

# SRTBIA: **Overview**

- Established **August 3, 2010 - Santa Rosa Ordinance 3946**
- **3% Assessment** on lodging establishments, including hotels, motels, inns, vacation rentals, and all similar lodging businesses
- Distribution of Funds Collected:
  - **30%: City of Santa Rosa**, Economic Development Division
  - **70%: Santa Rosa Metro Chamber**, Visit Santa Rosa Program

# SRTBIA: Overview

## ADVISORY BOARD

### 5 members appointed by City Council:

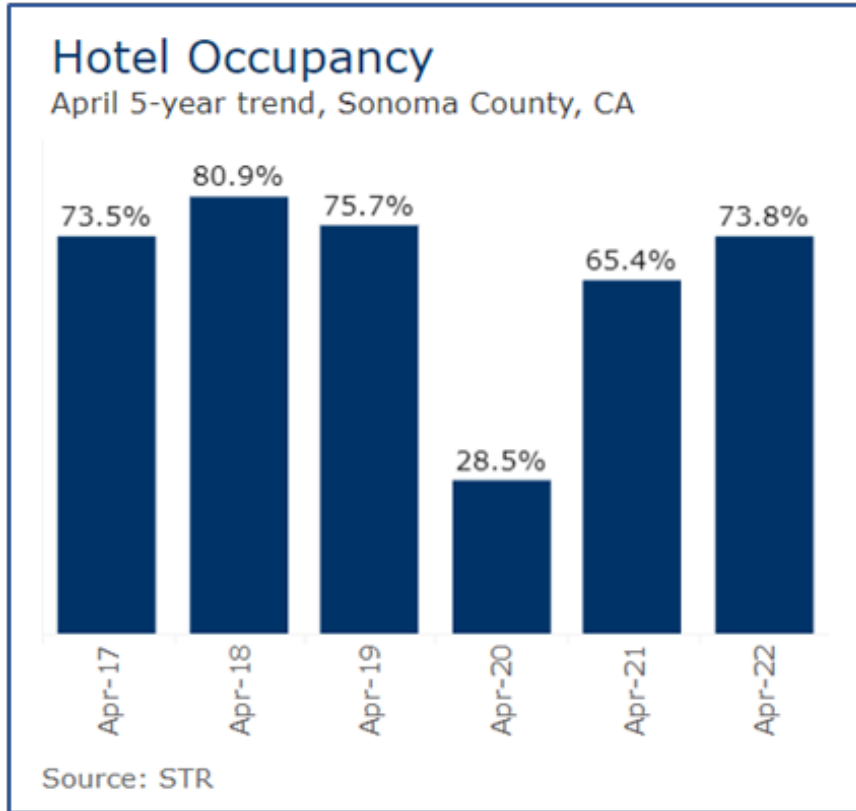
- 1 Santa Rosa Metro Chamber employee
- 1 City of Santa Rosa employee
- 3 hotel operators, at least 1 full service, and 1 select service

### Current Roster:

|                  | Affiliation/Position                           | Representing           |
|------------------|------------------------------------------------|------------------------|
| • Peter Rumble   | President/CEO                                  | SR Metro Chamber       |
| • Rafael Rivero  | ED Specialist                                  | City of Santa Rosa     |
| • Donna Renteria | Best Western Garden Inn                        | Hotel – Select Service |
| • Tony Pace      | Hotel E                                        | Hotel – Full Service   |
| • Todd Anderson  | Best Western Plus Wine<br>Country Inn & Suites | Hotel – At Large       |

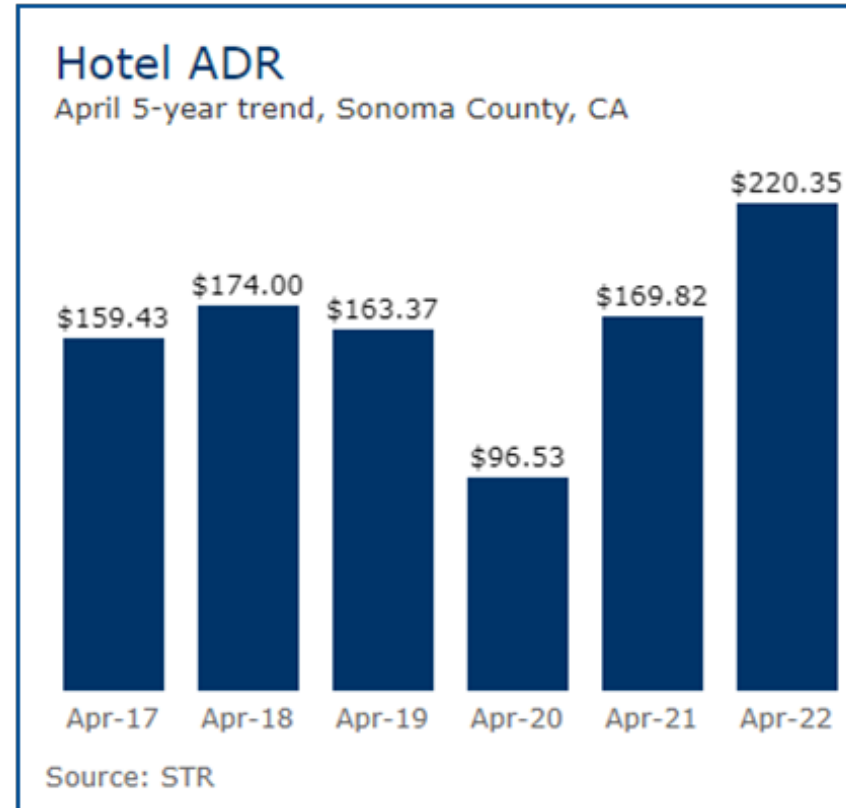
# SRTBIA: Tourism Indicators

- April 2022 Average Occupancy Rate: 73.8%
- April 2022 Average Daily Rate: \$220.35



## Occupancy Rate

Determined by dividing the total room nights sold by the total room nights available for purchase.



## Annual Average Daily Rate (ADR)

Represents the average amount spent on accommodations by a visitor per room night.

# SRTBIA: Tourism Indicators

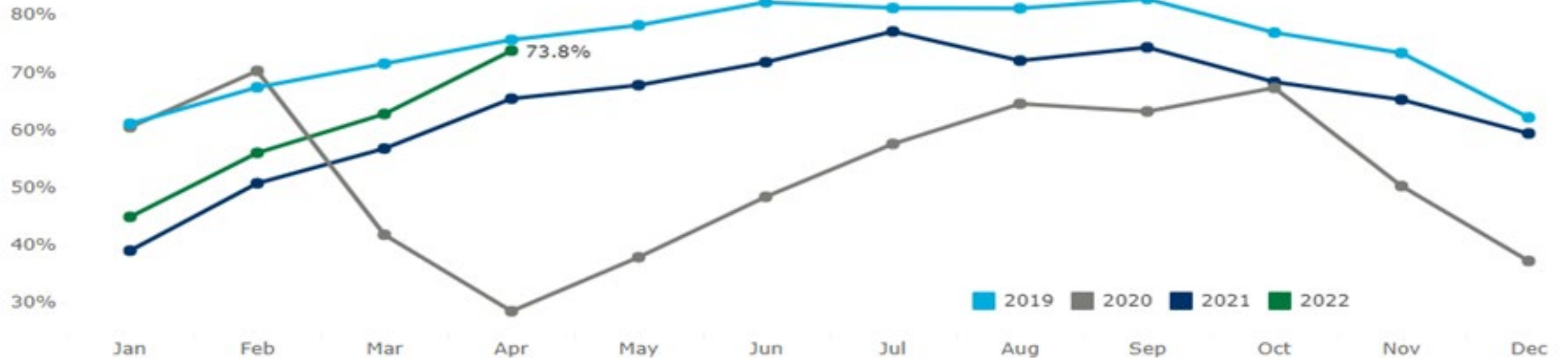
## Annual Occupancy Rates by Month

### Hotel Occupancy

Occupancy by month, Sonoma County, CA

Year

(Multiple values)



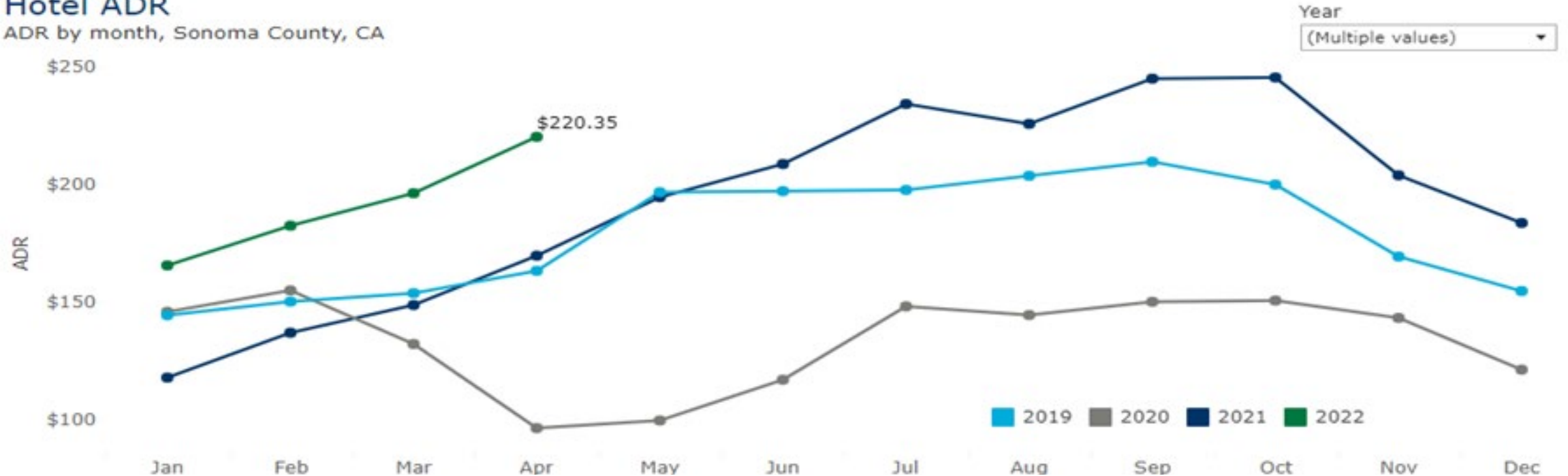
Source: STR

# SRTBIA: Tourism Indicators

## Annual Average Daily Rate by Month

### Hotel ADR

ADR by month, Sonoma County, CA

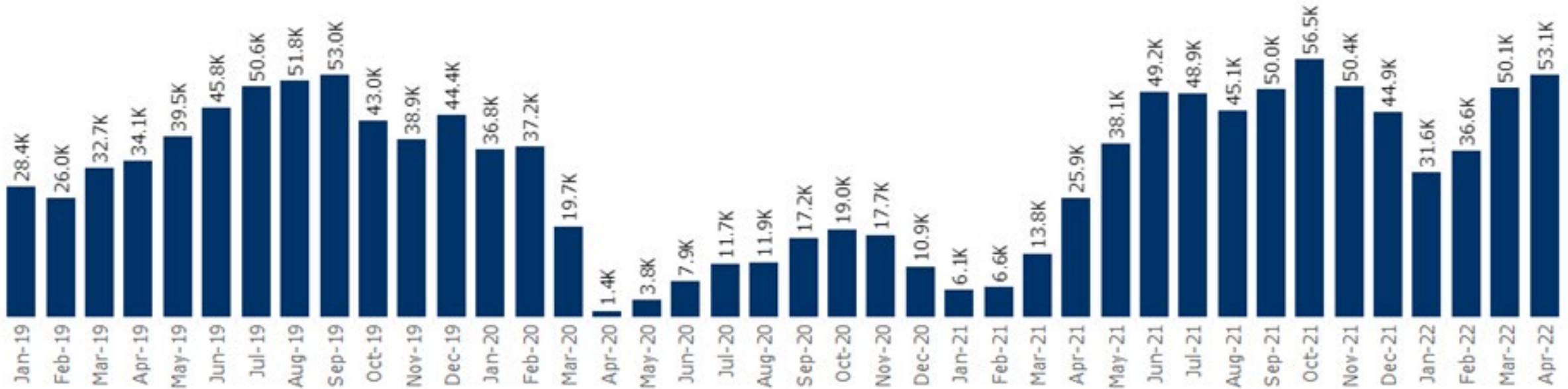


# SRTBIA: Tourism Indicators

## Sonoma County Airport Travel Trends (# of passengers)

### Air Travel

Total passenger enplanements and deplanements by month  
STS - Sonoma County Airport



Source: STS - Sonoma County Airport

# SRTBIA: Tourism Indicators

## Cities within Sonoma County

All Direct Impacts: 2021p

|                      | Visitor Spending | Earnings | Employment | Tax Receipts |          | Total   |
|----------------------|------------------|----------|------------|--------------|----------|---------|
|                      |                  |          |            | Local        | State    |         |
| Cloverdale           | \$10.5M          | \$4.0M   | 94         | \$598.3K     | \$457.5K | \$1.1M  |
| Healdsburg           | \$227.1M         | \$85.3M  | 2.0K       | \$12.9M      | \$9.9M   | \$22.8M |
| Petaluma             | \$129.5M         | \$48.6M  | 1.2K       | \$7.4M       | \$5.6M   | \$13.0M |
| Rohnert Park         | \$139.5M         | \$52.4M  | 1.2K       | \$7.9M       | \$6.1M   | \$14.0M |
| Santa Rosa           | \$317.5M         | \$119.2M | 2.8K       | \$18.1M      | \$13.8M  | \$31.9M |
| Sebastopol           | \$21.0M          | \$7.9M   | 188        | \$1.2M       | \$912.2K | \$2.1M  |
| Sonoma               | \$140.0M         | \$52.6M  | 1.3K       | \$8.0M       | \$6.1M   | \$14.1M |
| Unincorporated/Other | \$917.1M         | \$344.4M | 8.2K       | \$52.2M      | \$39.9M  | \$92.0M |
| Windsor              | \$66.7M          | \$25.1M  | 598        | \$3.8M       | \$2.9M   | \$6.7M  |

## Travel Impacts

Sonoma County Tourism commissioned Dean Runyan and Associates to create a special report showing revenue generated to each of the municipalities from the tourism industry.

- **SR Visitor Spending: \$317.5M**
- **SR Employment: 2.8k**
- **SR Total Receipts: \$31.9M**



# SRTBIA: **Financial Summary**

- **9% Transient Occupancy Tax** (SR General Fund)  
*applied to all lodging establishments within Santa Rosa city limits*
- **2% Sonoma County TBIA** (Sonoma County Tourism)  
*applied to Sonoma County lodging establishments with annual receipts above \$350k  
EXCEPT for the cities of Healdsburg and Sonoma (opted out)*
- **3% Santa Rosa TBIA** (30% City and 70% Chamber)  
*applied to all lodging establishments within Santa Rosa city limits*

## **Total Tax and Assessments: 14%**

*Paid by people staying in Santa Rosa lodging establishments, including hotels, motels, inns, vacation rentals, and all similar lodging businesses except as noted*

# SRTBIA: Financial Summary

## SRTBIA Assessment Revenue (3% local assessment)

|      | Q1         | Q2         | Q3         | Q4         | Total        |       |
|------|------------|------------|------------|------------|--------------|-------|
| 2021 | \$228,276  | \$443,075  | \$659,040  | \$452,859  | \$1,783,250  | + 39% |
| 2020 | \$313,593  | \$156,261  | \$331,767  | \$278,462  | \$1,080,083  | - 45% |
| 2019 | \$ 351,333 | \$ 541,509 | \$ 601,194 | \$ 468,678 | \$ 1,962,736 | + 10% |
| 2018 | \$ 393,047 | \$ 510,618 | \$ 548,560 | \$ 420,849 | \$ 1,875,075 | - 10% |
| 2017 | \$ 366,148 | \$ 533,979 | \$ 651,202 | \$ 466,609 | \$ 2,017,940 | - 10% |
| 2016 | \$ 359,117 | \$ 532,124 | \$ 659,658 | \$ 476,708 | \$ 2,027,608 | + 10% |
| 2015 | \$ 319,047 | \$ 471,471 | \$ 600,755 | \$ 432,620 | \$ 1,823,893 | + 11% |
| 2014 | \$ 278,597 | \$ 414,046 | \$ 538,212 | \$ 400,503 | \$ 1,631,358 | + 11% |
| 2013 | \$ 243,392 | \$ 388,906 | \$ 486,382 | \$ 334,930 | \$ 1,453,610 | + 12% |
| 2012 | \$ 213,069 | \$ 324,949 | \$ 442,635 | \$ 305,237 | \$ 1,285,890 | + 11% |
| 2011 | \$ 192,463 | \$ 285,884 | \$ 405,871 | \$ 258,274 | \$ 1,142,492 |       |

# SRTBIA: Financial Summary

## Transient Occupancy Tax (9%)

|      | Q1           | Q2           | Q3           | Q4           | Total        |       |
|------|--------------|--------------|--------------|--------------|--------------|-------|
| 2021 | \$684,829    | \$1,329,227  | \$1,977,122  | \$1,358,578  | \$5,349,756  | + 39% |
| 2020 | \$940,781    | \$468,785    | \$995,304    | \$835,388    | \$3,240,258  | - 45% |
| 2019 | \$1,053,999  | \$ 1,624,527 | \$ 1,803,583 | \$ 1,406,034 | \$ 5,888,143 | + 10% |
| 2018 | \$ 1,179,143 | \$ 1,531,855 | \$ 1,645,681 | \$ 1,268,549 | \$ 5,625,228 | -10%  |
| 2017 | \$ 1,098,497 | \$ 1,601,930 | \$ 1,953,564 | \$ 1,399,845 | \$ 6,053,836 | - 10% |
| 2016 | \$ 1,077,265 | \$ 1,595,832 | \$ 1,979,642 | \$ 1,429,781 | \$ 6,082,520 | + 10% |
| 2015 | \$ 957,684   | \$ 1,413,327 | \$ 1,801,829 | \$ 1,294,574 | \$ 5,467,414 | + 11% |
| 2014 | \$ 836,436   | \$ 1,241,528 | \$ 1,610,962 | \$ 1,200,765 | \$ 4,889,721 | + 10% |
| 2013 | \$ 730,203   | \$ 1,166,691 | \$ 1,459,427 | \$ 1,004,402 | \$ 4,360,723 | + 11% |

# SRTBIA: Financial Summary

| CITY BUDGET – FY 21-22                                                      | BUDGETED         | ACTUAL           |
|-----------------------------------------------------------------------------|------------------|------------------|
| Administration + Operations<br><i>Staff, overhead and maintenance costs</i> | \$269,000        | \$251,054        |
| Professional Services                                                       | \$150,000        | \$137,190        |
| Marketing, Promotions, Recovery Programs                                    | \$100,000        | \$95,822         |
| Event Support & Attraction                                                  | \$50,000         | \$25,500         |
| Available Reserves                                                          | \$174,551        |                  |
| <b>Total</b>                                                                | <b>\$743,551</b> | <b>\$509,566</b> |

## Funding Sources – City of Santa Rosa

**Council Approved Budget**      **\$350,000**

**Carry Forward**      **\$393,551**

*Reserves*      *\$20,698 funds held in reserve that were received beyond Council approved budget*

# SRTBIA: Financial Summary

| VSR BUDGET – CY 2021                   | BUDGETED         | ACTUAL           |
|----------------------------------------|------------------|------------------|
| Administration / Operations            | \$307,539        | \$309,405        |
| California Welcome Center Operations   | \$18,500         | \$20,312         |
| Group Sales, Marketing, Promotions, PR | \$517,200        | \$418,646        |
| Event Support & Attraction             | \$20,000         | \$15,500         |
| <b>Total</b>                           | <b>\$863,239</b> | <b>\$763,863</b> |

## CY 2021 Contributions and Other Funding Sources – Visit Santa Rosa

\$ 15,500 County of Sonoma Welcome Center Funding  
 \$ 13,250 Other revenue

# SRTBIA: Looking Ahead

## CITY OF SANTA ROSA BUDGET + WORK PLAN – FY 2022-2023

|                                                                          | EXPENSE           |
|--------------------------------------------------------------------------|-------------------|
| Administration + Operations<br><i>Staff, overhead, maintenance costs</i> | \$288,000         |
| Professional Services                                                    | \$180,000         |
| Event Support & Attraction                                               | \$ 50,000         |
| Business/Workforce, OTSR, Placemaking Programs                           | \$ 215,985        |
| <b>Total</b>                                                             | <b>\$ 733,985</b> |
|                                                                          | REVENUE           |
| Council Approved Budget                                                  | \$500,000         |
| Carry Forward                                                            | \$233,985         |
| Reserves Use                                                             | \$0               |

### Initiatives

#### Strategic Plan Implementation

- Business audit/data collection
- Improve on-line access

#### Marketing

- Out There SR program
- Paid advertising

#### Local Engagement

- Merchandise
- Placemaking and Public Art collaborations
- Event promotion

#### Event Support

- Reorganize city-wide event support funding programs

# SRTBIA: **Looking Ahead**

## VISIT SANTA ROSA BUDGET + WORK PLAN – CY 2022

|                                  | BUDGET              |
|----------------------------------|---------------------|
| Administration / Operations      | \$ 386,550          |
| California Welcome Center Ops    | \$ 296,100          |
| Sales, Marketing, Promotions, PR | \$ 654,600          |
| Event Support & Attraction       | \$48,000            |
| <b>Total</b>                     | <b>\$ 1,385,250</b> |

### Initiatives

- Market Santa Rosa as a Premier Overnight Destination
- Attract, Retain and Grow Groups & Events
- Reopen the California Welcome Center in Railroad Square
- Visitor & Market insights analysis to update marketing/sales strategies

# SRTBIA: **Recommendation**

It is recommended by the Planning and Economic Development Department that the Council, by resolution, accept the Fiscal Year 2021-2022 Annual Report, approve the continuation of the annual assessment on Santa Rosa lodging businesses, and adopt the Fiscal Year 2022-2023 Budget and Work Plan.