

Short report

The extent to which visitors contribute retail sales expenditures in Carpinteria

prepared by
the California Economic Forecast

for

The City of Carpinteria

May 7, 2018

Summary:

The number of annual visitors that stay in hotels, motels, STRs, or are day visitors to Carpinteria are estimated at between 1.4 and 1.5 million per year. The principal year we produced this determination for was 2017. Total annual visitors who camp at the Carpinteria State Beach every year is 384,586. Consequently, the total number of estimated visitors to Carpinteria is approximately 1.8 to 1.9 million.

The retail sales information used for this report is from the last full year available: calendar 2016 and then extrapolated to 2017 based on HdL sales tax estimates. Retail sales information is from the State Board of Equalization.

Relevant visitor information obtained from Visit Santa Barbara was also evaluated and used in the analysis. The basis for numbers of visitors relies on the relationship found in visitor surveys by Visit Santa Barbara between overnight and daily visitors and their corresponding expenditures in the South Coast community.

We determined overnight visitors to Carpinteria by using the occupancy rates for 2017 at the 585 transient hotel rooms located in the Valley. There are also 211 STRs that were in operation during 2017. Data on use and price was obtained from a Paradise Retreats Survey of Carpinteria (and other South Coast) STRs conducted in March of 2017. Many surveys conducted on South Coast visitors have ascertained an average for the number of overnight visitors in the group. The most recent survey conducted by Visit Santa Barbara has that average at 2.4.

Total Visitors estimated for Carpinteria

Total overnight visitors per year: 448,318 in hotels and STRs
Total camping visitors per year: 384,586
Total day visitors per year: 986,301

Total visitors to Carpinteria per year: 1,819,205

Taxable and Retail Sales in the City of Carpinteria

Total taxable sales for 2016 and 2017 are \$167,122,671 and \$169,629,511
Total retail sales for 2016 and 2017 are \$123,157,101 and \$124,696,565

Total taxable sales is the universe of sales transacted in Carpinteria and includes goods and services sold from retail storefronts, from online storefronts, from business to business, and from private homes.

Retail sales are principally sales and/or services with origins from a physical storefront location that can be categorized into any of the State Board of Equalization retail categories.

Visitor Total Spending

Average spending on taxable retail goods/services per non-camping person:
\$51.55 per day
Average spending on taxable retail goods/services per camping person:
\$21.50 per day

Total spending by visitors per year on taxable retail: \$82,223,386

Visitor Spending as a Percent of Total Taxable and Total Retail

Visitor spending percent of total taxable: 48.5 percent
Visitor spending percent of retail taxable sales: 65.9 percent

Categories of total taxable (or retail) sales that are not purchased by visitors:

Motor vehicles and parts	\$ 951,092
Home furnishings and appliances	\$ 2,608,864
Building materials and garden supplies	\$17,313,675

If we exclude these three categories of sales from the gross taxable sales totals then we are left with retail goods and food services (that visitors would participate in) and those totals are:

Retail goods and food service taxable sales:	\$150,636,511
Retail and food service retail sales:	\$105,351,974

Visitor spending percent of total retail goods and food service taxable sales:	54.6 percent
Visitor spending percent of retail and food service retail sales:	78.0 percent

Schedule:

The analysis was conducted beginning on Friday, May 4 through Monday May 7, when this memo report was delivered at 9:15 AM.

Delivered Product:

This memo with the principal methodology, assumptions, and results presented.

Cost:

\$1,500. One invoice will be sent to the City of Carpinteria upon delivery of this memo report.

References

Santa Barbara South Coast Visitor Profile and Tourism Economic Impact Study 2016-2017

<https://santabarbaraca.com/content/uploads/2017/10/Santa-Barbara-Visitor-Profile-and-Economic-Impact-Study-2016-17-DECK.pdf>

Visit Santa Barbara, South Coast Visitor Profile Study, Final Report of Findings, August 2013

STR Survey, by Paradise Retreats and California Economic Forecast, March 2017

Bed tax information from Visit Santa Barbara for South Coast regions including Carpinteria

STR tax and number information from Short Term Rental Program Update, April 30, 2018, City of Carpinteria