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DATE: October 26, 2016

TO: Coastal Commission and Interested Parties

FROM: John Ainsworth, Acting Executive Director
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SUBJECT: **Public Workshop: Lower Cost Visitor Serving Accommodations**

STAFF SUMMARY

Consistent with mandates of the California Constitution and the Federal Coastal Zone Management Act, the Coastal Act requires public access to be protected, provided, and maximized for all. Section 30213 specifically requires lower cost visitor and recreational facilities to be protected, encouraged, and where feasible, provided. This helps ensure maximum public access because without lower cost visitor serving facilities, members of the public with low or moderate incomes would be more limited in their ability to access and recreate at the coast, as compared to others who may be able to afford to pay more to access and use coastal facilities.

Such an unequal limitation on access to the coast would be unjust and inconsistent with the mandates of the California Constitution and Federal Coastal Zone Management Act; thus, providing visitor and recreational facilities affordable to people with lower incomes was made a cornerstone of the Coastal Act's public access mandate. When planning and development does not adequately address the need for lower cost facilities, it is inconsistent with the Coastal Act's requirement to protect, provide and maximize access for all.

Lower cost overnight accommodations are one type of lower cost visitor serving facility necessary to ensure that lower income members of the public, including those that live further from the coast, are able to access and recreate at the coast. The Coastal Act's requirement to maximize access and promote lower cost visitor and recreational facilities is critical in providing opportunities for individuals and families from underserved communities to visit the coast when they might not be able to do so otherwise due to costs, including costs for overnight accommodations.

Currently, there is a significant lack of lower cost overnight accommodations – particularly lower cost hotel rooms – along most of the coast. New hotel developments are typically higher cost, and lower cost hotels have been closing at more than twice the rate of moderate and high cost hotels

combined. This has resulted in coastal cities having as little as 5% lower cost hotel rooms, and the remaining 95% higher cost.

A recent field survey of beach visitors in southern California shows that, on average, visitors from median income households are willing to pay only $82 per night to stay near the coast, and visitors from households at 80% of median income are willing to pay only $78 per night.[1] These amounts are far less than the economy room rates at hotels in most coastal locations. Thus, hotel rates, even at lower cost hotels, are likely out of reach for the majority of visitors, especially during summer months when families and others are most likely to recreate at the beach. Other traditionally lower cost overnight accommodations such as camping, cabins and hostels can be very difficult to reserve, especially for people without easy access to internet-based reservation systems, and these facilities are often booked many months in advance. Ultimately, those of lesser means are too frequently left with fewer opportunities to access overnight accommodations along the coast.

The Commission has begun discussing and addressing these issues through two previous workshops on lower cost overnight accommodations, in December 2014 and March 2015. The December 2014 workshop provided an overview of the issues related to protecting and providing such accommodations, including examples and lessons learned from previous Commission actions. The December 2014 staff report is available at: http://documents.coastal.ca.gov/reports/2014/12/W3-12-2014.pdf. The March 2015 workshop focused on the economics of hotel development and the constraints and opportunities for financing lower cost visitor serving overnight accommodations. The March 2015 staff report is available at: https://documents.coastal.ca.gov/reports/2015/3/f9-3-2015.pdf.

To ensure protection and provision of lower cost overnight accommodations, the Commission can take additional steps to more effectively implement Section 30213 and related Coastal Act and LCP policies to maintain and increase the stock of lower cost overnight accommodations in the coastal zone, as well as to encourage Californians of all backgrounds and income levels to use these facilities. The Coastal Act requires public recreational access to be maximized and lower cost facilities to be protected and provided as a way to maximize access for all segments of the population, including those unable to afford expensive coastal accommodations and facilities.

This workshop will explore opportunities to strengthen the Commission's program on lower cost overnight accommodations to address this severe and growing inequity. Staff is proposing a series of preliminary recommendations for discussion. After receiving input from the Commission and the public on the preliminary recommendations, Staff will develop Draft Interpretive Guidelines for Overnight Accommodations for public review and consideration by the Commission at a future hearing.

The staff's preliminary recommendations for public and Commission input propose a series of measures that include:

1) Clearly defining what constitutes a lower cost hotel;
2) Prohibiting the loss of existing lower cost overnight accommodations, or requiring lost units to be replaced at least at a 1:1 ratio;

[1] Jon Christensen (UCLA) and Philip King (San Francisco State University), personal communication, 19 October 2016.

3) Requiring new high and moderate cost hotels to provide an adequate share of lower cost overnight accommodations;

4) Where lower cost units cannot be provided as part of the project, requiring in-lieu fees that are adequate to cover the cost of developing those units elsewhere;

5) Ensuring efficient and appropriate use of in-lieu fees, including through partnerships with the Coastal Conservancy and State Parks, and through support for programs that provide outreach to underserved communities; and

6) Supporting appropriately regulated short-term vacation rentals.

Each of these is discussed in more depth in the report below, and each includes staff's preliminary recommendation.

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I. COASTAL ACT POLICIES

The Coastal Act requires public access and recreational opportunities to be protected, provided and maximized. Public access to the coast provides recreation and health benefits which contribute to improving overall quality of life for all visitors.[2]

Section 30210. *In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.*

Section 30211. *Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.*

Section 30212. *(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) adequate access exists nearby, or, (3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.*

Section 30213. *Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. The commission shall not: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2) establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.*

Section 30221. *Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.*

Section 30222. *Private lands; priority of development purposes. The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.*

Section 30223. *Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.*

[2] There are many provisions of the Coastal Act regarding access. This document focuses on the sections most relevant to lower cost overnight accommodations.

The California Constitution and the federal Coastal Zone Management Act mandate the protection and enhancement of public access to and along California's coastline.[3] The Coastal Act codifies these protections in statute, including mandating that public recreational access opportunities to and along the California coastline be maximized (Coastal Act Section 30210). Coastal Act Section 30210's direction to maximize public recreational access opportunities represents a different threshold than to simply provide or protect such access opportunities, and Section 30210 is therefore fundamentally different from other public access provisions. It is not enough to simply provide public recreational access to and along the coast, and it is not enough to simply protect existing public recreational access; rather such public recreational access opportunities must also be maximized for all people. This terminology distinguishes the Coastal Act and provides fundamental direction for planning and development along the California coast.

Coastal Act Section 30210 requires public access to be maximized; Section 30221 requires oceanfront land suitable for recreational use to be protected for such use; Section 30222 prioritizes visitor serving commercial recreational facilities on private lands suitable for such use; and Section 30223 requires upland areas necessary to support coastal recreational uses to be reserved for such uses. Within the context of these policies that require public access and recreational opportunities to be protected and maximized, Section 30213 protects and provides specifically for *lower cost* visitor serving and recreational facilities, which include lower cost overnight accommodations.

Coastal Act Section 30213 has its genesis in the 1975 California Coastal Plan. Based on extensive public input in the early 1970s, the Coastal Plan found that few tourist facilities for persons of low and moderate income were being built in many parts of the coastal zone, and that many such low and moderate cost facilities were being replaced by higher cost facilities, particularly overnight accommodations that were even at that time shifting from lower cost options to higher cost apartments, condominiums, resorts and hotels. The earliest statement of statewide coastal policy on lower cost overnight accommodations is found in the 1975 Coastal Plan under a section titled "*Equality of Access*." The Plan Policy 125 states, in part:

> *Provide Lower Cost Tourist Facilities in the Nearcoast Area. To increase recreational access to the coast for the general public, tourist facilities (including campgrounds, hotels, youth hostels, recreational vehicle parks, etc. for low and moderate income persons shall be provided in the nearcoast areas through the use of all available financing techniques, including tax increment obtained from high-cost coastal housing and tourist facilities. Lower cost visitor facilities such as campgrounds, rustic shelters, ranch houses converted to inns, bed and board in private homes, summer home rentals where several families can share the cost, and new tourist accommodations that provide some moderately priced units and short-term rentals of other recreational facilities (e.g. boats) shall be given priority over exclusively expensive facilities (e.g. private residential developments, some yacht clubs)…*

The Coastal Act addressed these findings in part by including the specific Section 30213 mandate to protect, encourage, and where feasible provide lower cost visitor and recreational facilities.

[3] The federal Coastal Zone Management Act requires its State partners to "exercise effectively [its] responsibilities in the coastal zone through the development and implementation of management programs to achieve wise use of the land and water resources of the coastal zone" (16 U.S.C. Section 1452(2)) so as to provide for "public access to the coasts for recreational purposes." (Section 1452(2)(e))

Section 30213 helps ensure maximum public recreational access because without lower cost visitor serving facilities, members of the public with lower incomes would be more limited in their ability to access and recreate at the coast, as compared to others who may be able to afford to pay more to access such coastal facilities. This inequity would be unfair and unjust, and thus, providing for people with lower incomes was made a cornerstone of the Coastal Act's public recreational access mandate. When planning and development does not adequately address these lower cost needs, it is inconsistent with the Coastal Act's requirement to protect, provide and maximize access for all.

Section 30213 also promotes environmental justice, which is defined as "the fair treatment of people of all races, cultures, and income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies" in Government Code Section 65040.12(e). Lower cost facilities ensure members of the public with lower incomes, including those that live further from the coast, have options that enable them to access and recreate at the coast. The Coastal Act's requirement to maximize access and promote lower cost visitor and recreational facilities is critical in providing opportunities for individuals and families from underserved communities to visit the coast when they might not be able to do so otherwise due to costs, including the lack of affordable lodging.

II. LEGISLATIVE HISTORY AND IMPLEMENTATION OF 30213[4]

When the Coastal Act was enacted in 1976, it included broad policy language requiring not only the provision of lower cost visitor and recreational facilities but also housing for persons of low and moderate income. As originally enacted, Section 30213 stated:

> *Lower cost visitor and recreational facilities and housing opportunities for persons of low and moderate income shall be protected, encouraged, and, where feasible, provided.*

Thus, Section 30213 not only formed the basis of the Commission's lower cost overnight accommodations program, but also supported a statewide coastal zone program focused on affordable housing. Under this authority, the Commission developed statewide interpretive guidelines for the implementation of Section 30213 as it related to lower cost housing opportunities, but did not develop such guidelines specific to lower cost visitor and recreational facilities. The lower cost housing guidelines were originally adopted by the Commission in 1977, and subsequently revised in 1979 and 1981.[5]

The original 1977 guidelines provided for the protection of existing low and moderate income housing by prohibiting its demolition for other than health and safety reasons, and gave priority to new residential proposals that included affordable housing opportunities. The definition of low and moderate income households was anyone earning up to 120% of the median income, which included about 2/3 of California households at the time. Among other tools, density bonuses and reduced parking requirements were also used as mechanisms to support affordable housing.

Subsequent versions of the interpretive guidelines in 1979 and 1981 identified additional mechanisms to protect, encourage and provide affordable housing such as requiring in-lieu fees, land dedications and housing credits in certain circumstances. The revised guidelines also made

[4] Includes excerpts from "Report on Coastal Act Affordable Housing Policies and Implementation" by Sarah Christie, Legislative Director, February 10, 2015.

[5] Adopted on October 4, 1977; revised on July 16, 1979 and May 5, 1981.

findings to support the economic feasibility and policy rationales for requiring specific percentages of affordable units to be set aside for low and moderate income households through deed restrictions and rent controls (for example, one-third of condominium conversions were to be set aside for low to moderate income households).

Although the guidelines were refined in subsequent versions, ultimately exempting new developments of 9 units or less and all rental housing, as a general rule they required that larger projects provide approximately 25% affordable units on site as a part of the project. Applicants could make the case for specific projects to provide fewer units, but otherwise these inclusionary units had to be built and maintained as affordable housing with re-sale controls to ensure their continued affordability for persons of low to moderate income. The 1981 guidelines stated:

> *Meaningful access to the coast requires housing opportunities as well as other forms of coastal access… If the coast is not to exclude the less affluent members of society and become an exclusive enclave of the wealthy, affordable housing must be protected, encouraged, and, where feasible, provided.*

During this same time, the Commission and local governments were also implementing 30213 to protect and provide for lower cost visitor and recreational facilities including overnight accommodations. Implementation of 30213 to protect and provide lower cost overnight accommodations largely mirrored implementation of the housing requirements, including by denying projects that would eliminate lower cost overnight accommodations, by requiring development of some percentage of lower cost units in conjunction with new high cost accommodations, and by requiring in-lieu fee mitigation when such development was infeasible in-kind. For example, in 1974, the regional Commission denied the proposed demolition of the Steep Ravine cabins in Mt. Tamalpais State Park in Marin County. The cabins, which had been privately leased, were slated for demolition. However, the Commission ultimately denied their demolition because of the potential to convert them to lower cost overnight accommodations in the future. Today, the Steep Ravine cabins are extremely popular overnight accommodations within the park. Another example is the Commission's approval of a 360-room hotel convention center in Santa Barbara, in 1981, which required either the dedication of land for the construction of a 75-bed hostel, or the construction of the 75-bed hostel on-site or off-site (CDP 4-81-205).

In 1980, Senate Bill (SB) 1581 (Ch. 1087 Statutes of 1980) amended Section 30213 to prohibit the Commission from setting room rates for any privately owned and operated hotel, motel, or other similar visitor-serving facility, and to prohibit the Commission from establishing or approving any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities. As such, the Commission is not able to carry out the requirements of 30213 by setting room rates for privately owned facilities, or by limiting room rentals to particular people. After this amendment, the language of 30213 was still clear that lower cost visitor serving facilities must be protected and provided for people of low and moderate income.

The Commission's implementation of the Coastal Act's original affordable housing policies was controversial. Many local governments objected to the loss of "local control" and stated that the Coastal Act's housing policies were preventing them from preparing Coastal Act-required local coastal programs.

In 1981, State Senator Henry Mello introduced SB 626, sponsored by the League of Cities. SB 626 (Ch. 1007 Statutes of 1981) repealed the Commission's statutory authority to protect and provide affordable housing for persons of low and moderate income in the coastal zone by amending Section 30213 as follows:

> *Lower cost visitor and recreational facilities ~~and housing opportunities for persons of low and moderate income~~ shall be protected, encouraged, and, where feasible, provided.*

The bill also added Section 30500.1, which states:

> *No local coastal program shall be required to include housing policies and programs.*

It is clear from the legislative record that the 1981 amendment was specific to affordable housing in the coastal zone, not lower cost visitor serving and recreational facilities. Although the language pertaining to low and moderate income people was struck, the requirement to protect and provide lower cost visitor serving and recreational facilities was maintained.

Further, the recent passage of Assembly Bill (AB) 2616 (Burke) during the 2016 state legislative session extended the Legislature's commitment to environmental justice and the protection of the rights of people from lower income backgrounds and/or other underserved communities, including related to public access and recreational opportunities at the coast. AB 2616 will take effect in January 2017. Among other changes, AB 2616 will amend the Coastal Act by adding Section 30604(h) to the Public Resources Code, which states: "When acting on a coastal development permit, the issuing agency, or the commission on appeal, may consider environmental justice, or the equitable distribution of environmental benefits throughout the state." AB 2616's changes were intended to help heighten awareness and increase dialogue related to environmental justice, particularly related to the way that many underserved communities are affected by coastal zone management. The changes help continue, and reaffirm, the Commission's long history in applying the Coastal Act, and Section 30213 in particular, to help ensure that all segments of the population are able to access the California coast, particularly as it relates to ensuring adequate provision of lower cost recreational facilities, including overnight accommodations.

III. OVERNIGHT ACCOMMODATIONS

Overnight accommodations are a necessary part of providing public access and recreational opportunities for the many visitors that live further from the coast, including those from inland areas, such as California's Central Valley, where a coastal trip requires a lengthy car ride. For many low and moderate income visitors, lower cost overnight accommodations are essential to being able to access the California coast at all.

Despite the clear need for lower cost overnight accommodations, since passage of the Coastal Act, permit applicants have typically requested that the Coastal Commission and LCP-certified local governments approve high cost facilities on land zoned for visitor-serving uses, and in some cases on land already occupied by lower cost accommodations, rather than pursuing lower cost accommodations. Other applicants have proposed developing non-visitor-serving accommodation uses on sites that contain existing lower cost accommodations. Additionally, applications for the conversion of hotels and motels to, or the construction of hotels and motels as, time shares, condominium ownership, and similar ownership frameworks and combinations have been popular.

Often such facilities are more akin to residential uses, and thus these types of developments can reduce opportunities for publicly available overnight accommodations, especially lower cost facilities. Further, overnight room rates have increased significantly over the years, making overnight stays prohibitively expensive for many Californians and visitors to the State. Overall, the Commission's experience confirms the need to not only guard against the loss or preclusion of lower cost overnight accommodations along the coast, but to proactively strive to help ensure such facilities are provided whenever feasible as the state's coastline is developed and redeveloped.

There are various types of overnight accommodations, but they can be grouped into four general categories: 1) Campgrounds and Cabins; 2) Hostels; 3) Short Term Vacation Rentals; and 4) Hotels and Motels. Hotels and motels will be referred to collectively throughout this report as 'hotels'. Campgrounds, cabins and hostels are typically lower cost by their nature. However, camping can be expensive because of the amount of equipment needed, including tents, sleeping bags and other gear, and RVs, in the case of RV camping. Hostels provide an affordable experience, but not everyone is familiar with or comfortable staying in a shared accommodation like a hostel. Short term vacation rentals can provide a lower cost option, especially for larger groups or families, but because it is difficult to find data on short term vacation rentals, it is not clear how large a role they play in providing lower cost accommodations. And finally, hotels provide overnight accommodations for many coastal visitors, including visitors who are not willing or able to stay in a campground or hostel.

A. Campgrounds and Cabins

Campgrounds are a valuable and popular lower cost visitor serving resource. According to the 2013 American Camper Report, in 2012, 38 million Americans (or 13 percent of the U.S. population over the age of six) went camping.[6] Per the report, on average campers traveled approximately 200 miles to reach their destination, and approximately 81% camped in tents, and approximately 16% camped in RVs.[7] An earlier survey of campers in California was completed in 2000 as a cooperative project of the California Roundtable on Recreation, Parks and Tourism. That survey found that 87% of campers in California were California state residents, and that, similar to the 2013 American Camper Report discussed above, campers traveled an average of 220 miles to reach their destination. In addition, the survey found that approximately 82% of campers were with family members on camping trips. The 2000 survey also found that more than eight out of ten adults who camp had camping experiences as children, suggesting that children's camping experiences have a significant impact on camping activities of adult campers.

Campgrounds in California, especially along the California coast, are affordable to many visitors, and are in extremely high demand. In California State Parks along the coast, tent camping fees range from $5 (for hike-in sites) to $60 (for premium sites).[8] The average daily occupancy rates at

[6] The 2013 American Camper Report was a national survey presented by the Coleman Company, the Outdoor Foundation, and KOA that analyzed camping trends throughout the country.

[7] Also according to this study: "Research continues to confirm that reaching Americans at an early age is one of the best ways to instill a lifelong love of camping and the outdoors. Sixty percent of current campers participated in regular outdoor activities during childhood, while a mere quarter of non-participants were exposed to the outdoors. Participation during adolescence has a similar effect. If camping is to be accessible, we must reach children early when they are still open to new and different experiences."

[8] See State Parks camping rates: http://www.parks.ca.gov/pages/737/files/current_geoloc%20web_camping.pdf.

State Parks near the coast, in the month of August,[9] are around 65% to 70%, while the average rates at inland State Parks are around 35% to 40% during this same time frame (see chart in Exhibit 3), demonstrating the draw that the coast provides in this regard. Because most visitors stay during the weekend, a 65% to 70% occupancy rate overall means that coastal State Parks campgrounds are nearly entirely full during August weekends. In addition, average daily occupancy rates at many State Park campgrounds up and down the coast during the month of August are more than 90% (see table of selected occupancy rates in Exhibit 3). Therefore, camping along the coast is a significant recreational resource that is in very high demand, provides overnight accommodations for many Californians, and is far less expensive than staying in a hotel.

Further, camping has the potential to grow significantly in the future, due to population growth and increased popularity. In particular, the 2013 American Camper Report looked at camping activity in the Latino population and found that 23 percent of Latino campers ages 18 and over had tried camping for the first time in 2011 as compared to just two percent of Caucasian/non-Hispanic campers. In other words, a much larger portion of the Latino population is now camping for the first time, and these first-time campers have the potential to become regular campers in the future. These kinds of figures suggest that the popularity of campgrounds as a recreational resource has the potential to increase significantly, particularly within the Latino population.

Given the demand for more comfortable and affordable camping-like experiences that don't necessarily rely on a user supplied tent, on-site rustic accommodations have also proven popular. These can include cabins (tent or solid), small cottages, raised platforms, and yurts. Such accommodations reduce the need for camping equipment, generally provide an increased level of amenities, and are more accessible to older and disabled visitors. State Parks has a series of very popular alternative-camping accommodations within their system, including the cabins at Steep Ravine just below Stinson Beach and at Angel Island in the San Francisco Bay, and the cottages at Crystal Cove State Park in Newport Beach.

Several studies have evaluated the potential for the expanded use of cabins and other similar accommodations. State Parks conducted a survey of cabin use within the State Parks system in 2011. The survey found that the most popular cabin facilities were near urban areas, that 94.5% of visitors were from California, and that, unfortunately, visitors to the facilities did not reflect the State's ethnic and demographic diversity. In particular, whereas, according to the U.S. Census, white/non-Hispanic people make up 39% of California's population, 82.8% of respondents identified themselves as white/non-Hispanic. This difference is particularly noteworthy given that the 2013 American Camper Report, discussed above, looked specifically at attitudes towards camping among the Latino population (a population which is projected to grow significantly in California over the next several decades), and found that a larger percentage of Latino campers camped in cabins, as compared to Caucasian/non-Hispanic campers. Finally, research conducted for the State Parks' Parks Forward Commission in 2014 identified significant opportunities for providing additional cabin facilities, and for reaching a wider spectrum of visitors. The current supply of these types of facilities has not kept up with existing demand, and demand has the potential to increase significantly, especially as California's population grows.

[9] August is often chosen as a comparison month as it is still summertime, and many school children are still off of school, and thus families are still taking summer trips.

B. Hostels

Hostels have been an integral part of providing lower cost accommodations along California's coast for many decades. In 1978, California State Parks prepared a plan for California's hostels, calling for a series of hostels to be located every 30 to 40 miles along the entire length of the coast.[10] Although the plan's series of hostels did not come to full fruition, many hostels have been constructed and have operated along the coast over the last four decades, providing significant overnight resources to many visitors of the coast.

Hostelling International USA (HI) is a non-profit organization that oversees development and operation of numerous hostels in the United States. HI currently operates 11 hostels on the California coast, serving over 250,000 guests per year, including individuals, school and community groups and families. The majority of HI's hostels are the result of public-private partnerships with local, state and federal agencies, including State Parks, Golden Gate National Recreation Area and the U.S. Coast Guard.[11] Occupancy rates at HI's coastal hostels are very high, with average occupancy rates up to 97% during the high season and up to 85% throughout the entire year, with average daily rates (per bed) of $30 dollars (see Exhibit 4).

C. Short Term Vacation Rentals

Short term vacation rentals provide an alternative to hotels, camping and hostels, and can be especially suited to families. Californians have been vacationing at the beach in short-term vacation rentals for decades. Although there is little aggregated data regarding the number of rentals or the rates that were paid in the past, it is clear that they have been available to many visitors. Today short term vacation rentals are widely available. For example, in Santa Monica, there are over 200 rentals, ranging from a low of $34 per night to a high of $3,000 per night. In Pismo Beach, there are over 300 short-term rentals, ranging from $30 per night to $1,700 per night. And in Santa Cruz, there are over 300 short-term rentals ranging from $17 to over $1,000. Clearly, there are a wide variety of such rentals and a wide variety of costs associated with them. However, it is important to note that while there are a substantial number of short term vacation rentals, there are far fewer rentals than hotel rooms. For example, STR (Smith Travel Research) lists 3,572 hotel rooms in Santa Monica, 1,697 hotel rooms in Pismo Beach, and 2,170 hotel rooms in Santa Cruz. While STR lists many of the existing hotel rooms, there are many more that are not listed by STR, so the number of hotel rooms in each City is actually higher. For more specifics, and examples of the number and price range of short term vacation rentals in the rural north coast, see table below.

[10] California State Park System, Coast Hostel Facilities Plan, Department of Parks and Recreation, January 1978.

[11] For example, the Point Montara in San Mateo County is located on U.S. Coast Guard property and the Pigeon Point Hostel in San Mateo County is located on State Parks property.

City	Date	# of Short-term Rentals	Rate (per night)*	Source**
Santa Monica	February 2017	180	$80-$3000	Vrbo
	February 2017	249	$34-$895	Airbnb
	July 2017	178	$50-$3000	Vrbo
	July 2017	270	$34-$895	Airbnb
Pismo Beach	February 2017	76	$75-$1450	Vrbo
	February 2017	306	$18-$995	Airbnb
	July 2017	61	$109-$1700	Vrbo
	July 2017	306	$30-$1000	Airbnb
Santa Cruz	February 2017	159	$95-$900	Vrbo
	February 2017	306	$17-$1000	Airbnb
	July 2017	121	$125-$1045	Vrbo
	July 2017	306	$17-$1000	Airbnb
Jenner	February 2017	350	$90-$1500	Vrbo
	February 2017	306	$25-$1000	Airbnb
	July 2017	211	$90-$1500	Vrbo
	July 2017	306	$25-$950	Airbnb
Arcata	February 2017	90	$70-$550	Vrbo
	February 2017	260	$12-$983	Airbnb
	July 2017	102	$75-$550	Vrbo
	July 2017	232	$12-$909	Airbnb

* *All rates reflect the cost for 1 guest per night, though many short-term rentals offer the price per unit.*
** *All sources were accessed on October 6, 2016 and reflect available short-term rentals on the date accessed*

D. Hotels

Hotels[12] provide overnight accommodations for many coastal visitors. However, over time, hotels have generally become more expensive along the coast, with lower cost hotels being replaced with high cost hotels, and rates, in general, rising significantly. This trend has had an adverse impact on the public's ability to access the coast, with a disproportionately large portion of the impact affecting those of more modest means, including lower income visitors.

Availability of Hotel Rooms in Coastal Counties by Class

STR (formerly Smith Travel Research) is a company that tracks occupancy and rate information for many hotels in California. It is considered the industry standard for providing hotel data. STR divides hotels into six classes based on their amenities and typical rates. The six classes are: 1) Economy, 2) Midscale, 3) Upper Midscale, 4) Upscale, 5) Upper Upscale, and 6) Luxury.

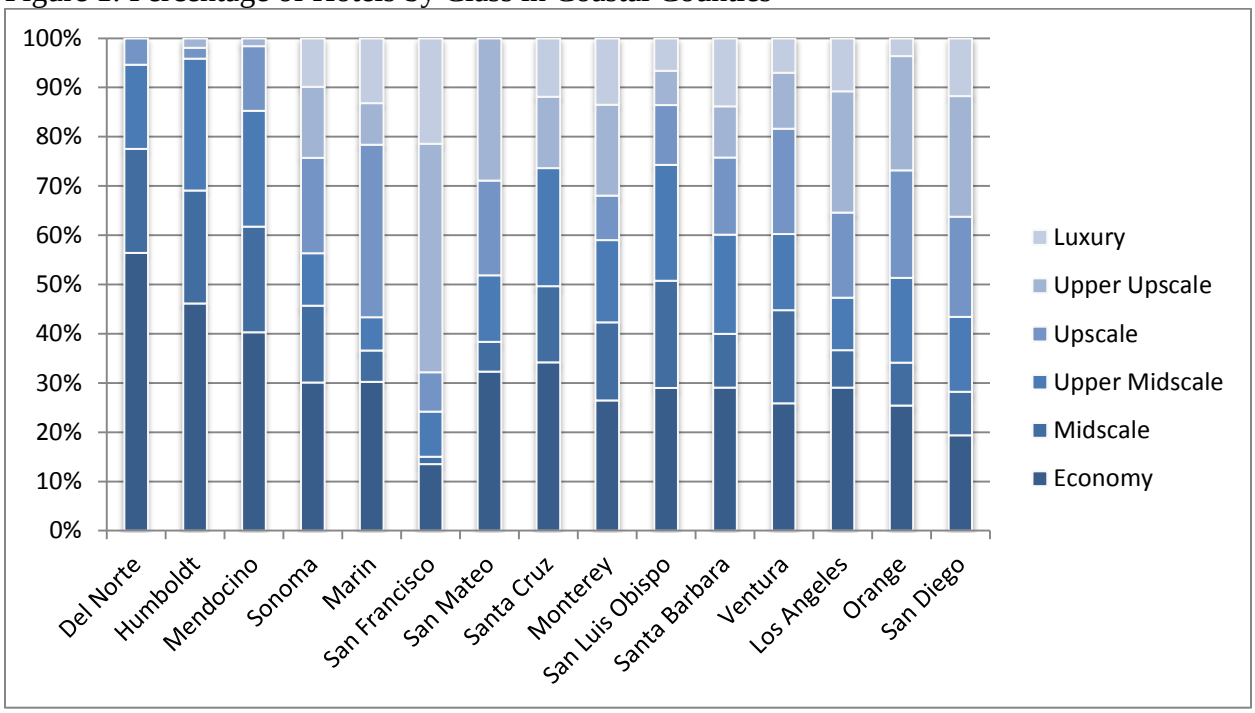
The information collected by STR can provide insight into the variety of hotels in a given area, but it is important to keep in mind that an economy hotel in a low demand area, or at an off-peak time of year, will charge very different rates than an economy hotel in a high demand area, or at a peak

[12] Again, references in this report to hotels are inclusive of hotels and motels.

time of year. Thus, some "economy" hotels may be affordable to some visitors during the off season, but not during the summer or on weekends. For example, a review of published rates for future hotel stays shows that the rate at Motel 6 in Monterey, Pismo Beach and Santa Barbara on the weekend in July 2017 is anywhere between $116 and $200 per night, while the rate at Motel 6 in Eureka and Arcata during the week in February 2017 is between $45 and $50 per night. These are enormous price differences for similar products, and thus seasonal and locational variations must be understood and evaluated as well. In short, the affordability of each hotel class is highly variable. Nonetheless, the range of hotel types categorized by class helps illustrate the availability of different classes within a given market.

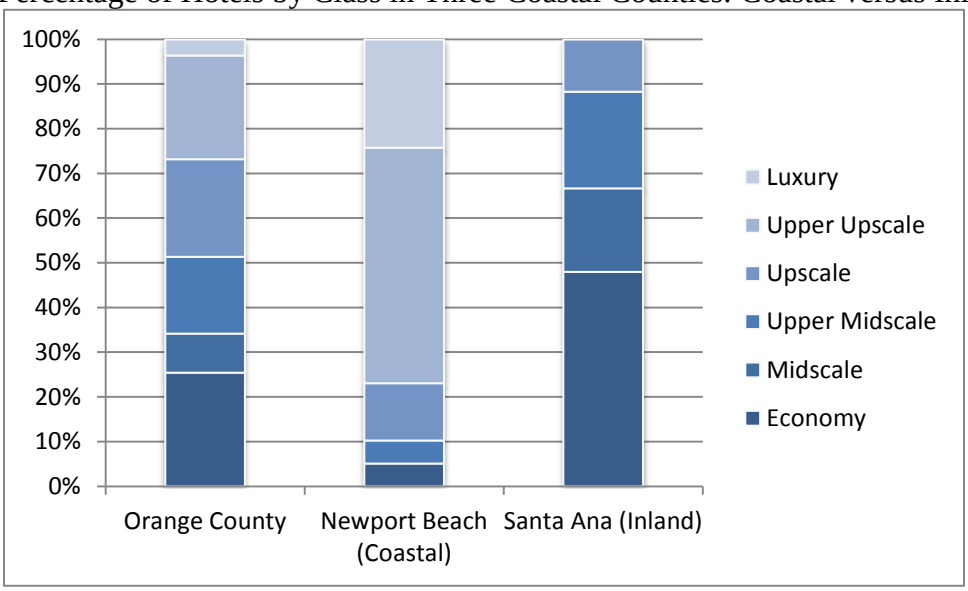
Staff was able to access STR's list of hotels by class for each of the coastal counties in California. Below is a chart showing the percentage of rooms by class for each coastal county as of August 2015. You can see that the northern part of the coast has the highest percentage of economy hotels, followed by the central coast, and then southern California.

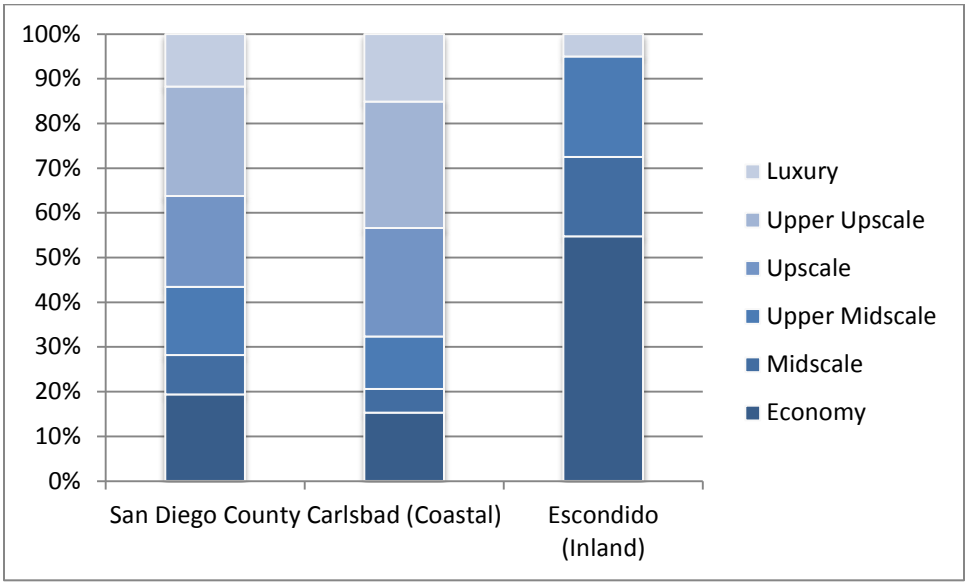
Figure 1: Percentage of Hotels by Class in Coastal Counties

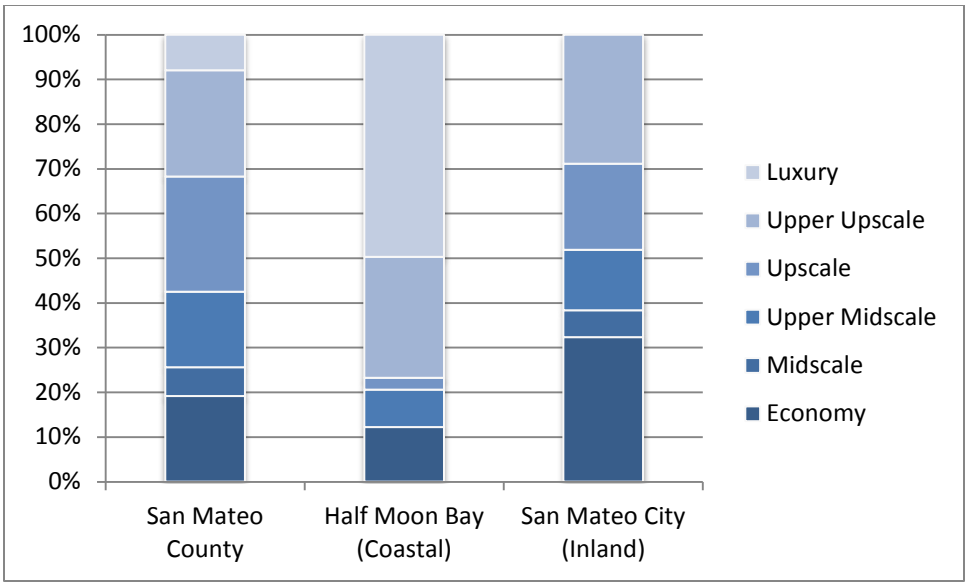


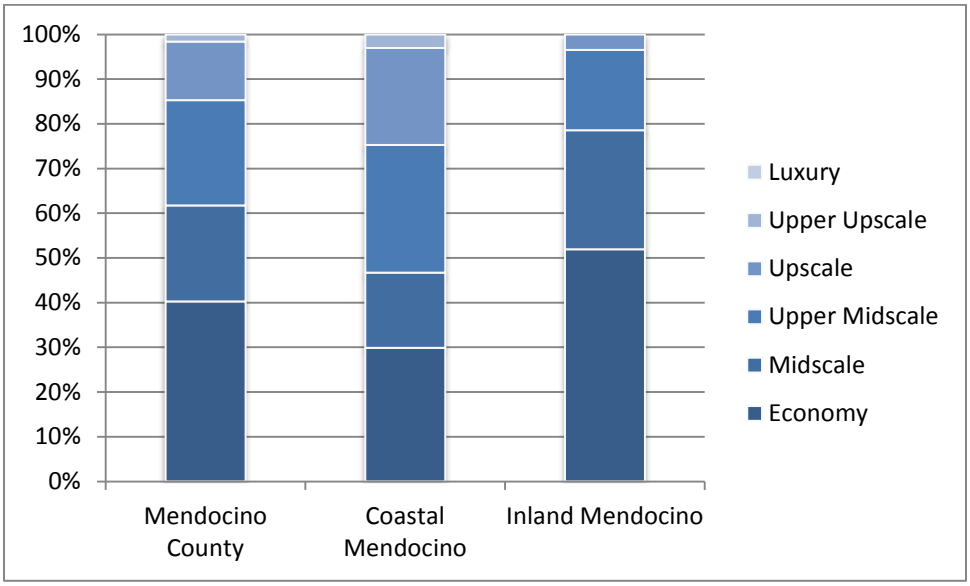
The percentage of economy and midscale hotel rooms closer to the coast is generally lower, as compared to more inland areas. To get a better sense of the availability of each type of hotel class in coastal versus inland areas, staff analyzed the STR data for a sampling of coastal cities as compared to inland cities in several coastal counties. As can be seen in the charts below, coastal cities have far fewer economy and midscale hotels than inland cities.

Figure 2: Percentage of Hotels by Class in Three Coastal Counties: Coastal versus Inland Cities





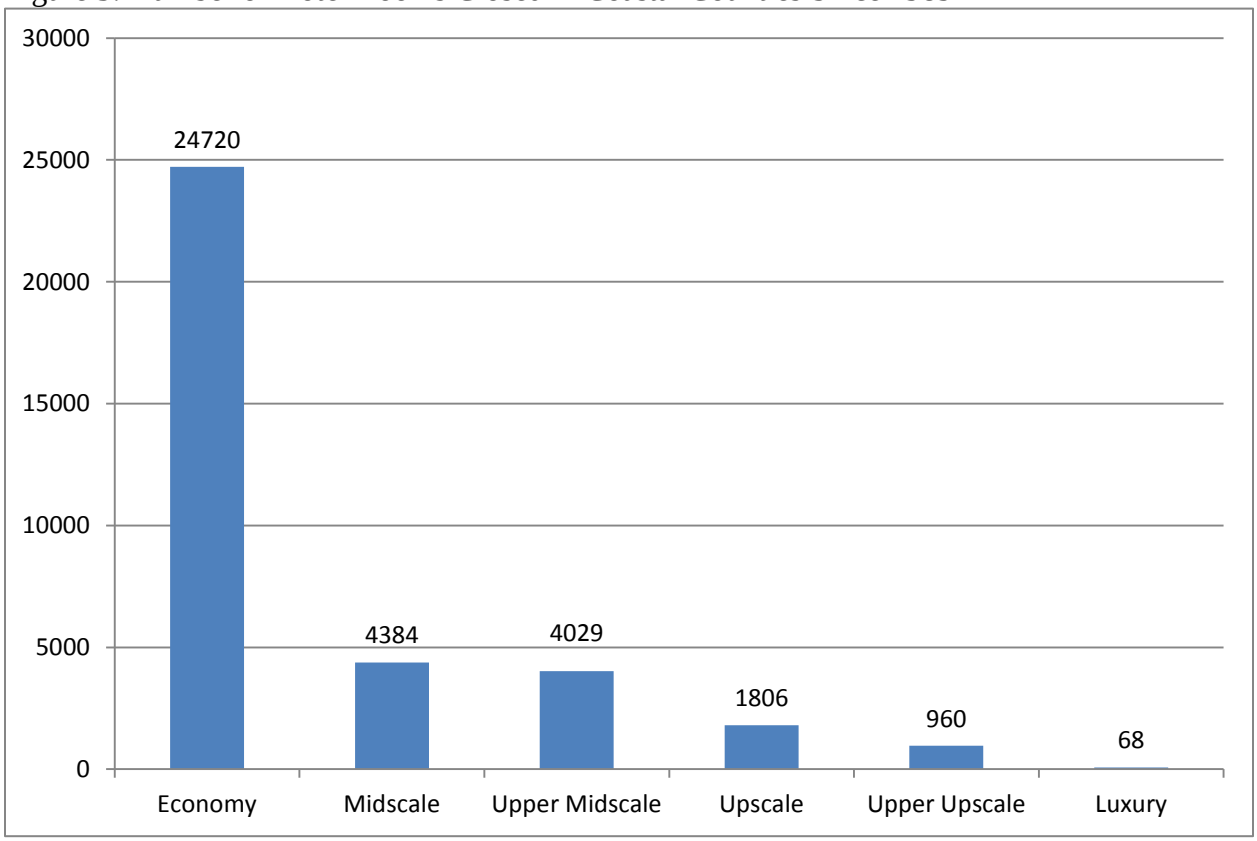




As seen in the charts above, there are dramatic differences in hotel type in coastal versus more inland areas, with the coastal areas being much more saturated with higher cost options than more inland areas.

In addition, as more high cost hotels are developed, the remaining lower cost to moderate cost hotel accommodations in the coastal zone tend to be older structures that become less economically viable as time passes. Further, as more redevelopment occurs, the stock of lower cost overnight accommodations tends to be reduced, since it is more lucrative for developers to replace these structures with higher cost accommodations. This can be seen in the list of hotels in California's coastal counties that have closed since 1989. According to the list, such closures mean the loss of 24,720 economy rooms, while combined, only 11,247 rooms of the remaining five classes have been lost over the same time period. Thus, all told, nearly 70% of all rooms that have been lost since 1989 have been economy rooms, whereas less than 10% of the rooms lost have been in the upscale and luxury categories, and less than 0.2% have been lost in the luxury category. Such trends have made it that much more difficult for the lower cost consumer to access the coast.

Figure 3: Number of Hotel Rooms Closed in Coastal Counties Since 1989

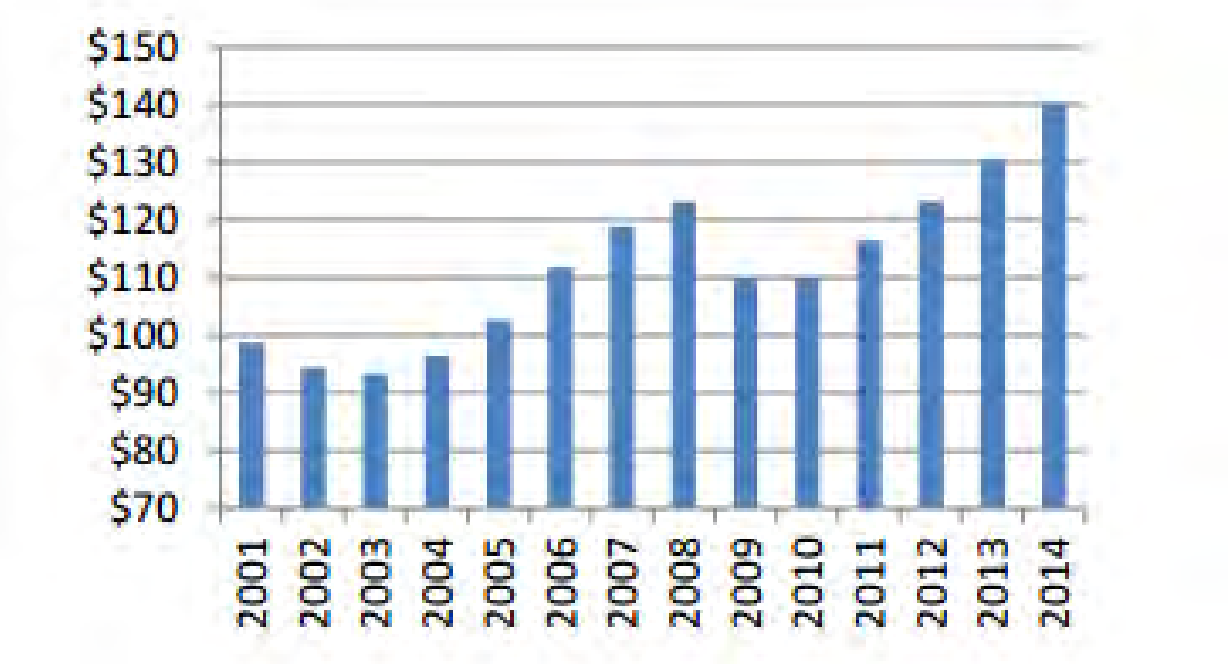


In this same time period, the Commission has seen that the vast majority of new hotels built are higher cost. Therefore, it is clear that lower cost hotels have been dramatically reduced since the time when the 1975 Coastal Plan evaluated public access and concluded that lower cost facilities (even at that time) needed to be protected and enhanced. If this development trend continues, the stock of lower cost overnight accommodations will be reduced even further, and in some cases appears destined to disappear entirely.

Hotel Room Rates

Hotel room rates are steadily rising in California. The chart below shows the statewide average daily rate for hotels from 2001 through 2014.

Figure 4: Statewide Average Daily Hotel Rate 2001-2014



Source: http://industry.visitcalifornia.com/media/uploads/files/editor/VisitCaliforniaResearchDashboard_May2016.pdf

Other than small dips reflecting the economic downturns of 2002 and 2009, rates have seen a steady increase, including the highest rates ever currently. Also, hotel rates are generally higher in coastal regions of the state as compared to inland regions. See Exhibit 5 for room rates and occupancy rates by region, statewide.

As discussed previously, room rates vary dramatically based on location and time of year. Staff conducted a web survey of published hotel rates in several coastal cities for future off-peak and peak dates. See below for average room rates on Wednesday October 19, 2016 (off-peak) and Friday July 7, 2017 (peak) in three coastal cities.

Figure 5. Average Room Rates for Off-Peak/Peak Dates

City	Economy	Midscale	Upper Midscale	Upscale	Upper Upscale	Luxury
Santa Cruz	$82/$260	$84/$263	$116/$282	n/a	$233/$392	$179/$259
Pismo Beach	$77/$187	$94/$202	$133/$234	$146/$304	$158/$312	$235/$399
Santa Monica	$108/$135	n/a	$156/$262	$163/$265	$290/$310	$347/$402

Source: Web survey conducted September 24, 2016 for single-occupancy room rates on Wednesday October 19, 2016/Friday July 7, 2017.

As can be seen, rates vary tremendously by type, but also based on different seasons and days of the week. Further, during high occupancy times (such as the Friday July 7th date), rates can be fairly similar across hotel types. For example, in Santa Cruz, the average economy hotel room rate is $260, and the upper midscale rate is $282. In Pismo Beach, the average economy hotel room rate is $187, and the upper midscale rate is $234.

Transient Occupancy Tax

Further complicating this trend toward higher cost hotels in the coastal zone is the fact that many local governments rely heavily on the important revenue that is obtained from transient occupancy taxes, or TOT. TOT revenue can be directed to the general fund of the local government and can be used for many kinds of expenses, from road repair to libraries and emergency services. Given the challenge in obtaining funds for these needs from other sources, it is reasonable that jurisdictions may want hotel rates to increase in order to increase this important revenue source. See Exhibit 6 for a list of TOT revenue by jurisdiction for the years 2005 through 2015.

Figure 6. Annual California Transit Occupancy Tax for Selected Coastal Cities 2005 and 2015

City	2005	2015	2005-2015 increase
Eureka	$1,424,300	$2,419,500	$995,200 or 70%
Half Moon Bay	$2,838,300	$5,430,500	$2,592,200 or 48%
City of Santa Cruz	$3,067,900	$8,228,400	$5,160,500 or 63%
City of Monterey	$13,628,000	$20,828,000	$7,200,000 or 35%
Santa Monica	$23,419,100	$47,628,500	$24,209,400 or 51%
Long Beach	$12,267,000	$21,265,000	$8,998,000 or 42%
Newport Beach	$11,644,800	$20,364,500	$8,719,700 or 43%
Carlsbad	$10,072,300	$18,153,700	$8,081,400 or 45%
City of San Diego	$120,792,000	$186,158,500	$65,366,500 or 35%

Source: http://industry.visitcalifornia.com/media/uploads/files/editor/CACountyImpacts15pv2.pdf

As seen in the chart above, TOT in coastal cities has increased tremendously in the last decade, in some case more than doubling. As it does so, it becomes a more and more significant part of certain cities revenues. As indicated earlier, TOT is a cash source that can be used for a variety of local needs. The need for such TOT revenue can create an inherent conflict in the partnership between the Commission and local governments in implementing Coastal Act policies related to lower cost accommodations, because the Commission's primary goal in reviewing new hotel projects is to enhance public access and recreational opportunities while protecting and providing lower cost accommodations, while the local jurisdiction must also manage its budget, of which TOT may be a very important part. This conflict is similar to others that are presented in coastal planning – where the statewide interest can oftentimes deviate from a local jurisdiction's interest. It is one of the inherent conflicts recognized by the Coastal Act which imposes a set of statewide principles to be applied through local government partners. However, these principles aren't always easily synthesized with local interests. The importance of TOT also makes it clear that in order to protect the statewide interests of protecting public access and recreational opportunities for all Californians and visitors to the State, particularly those of low and moderate income, the Commission must ensure that local jurisdictions are appropriately accounting for lower cost facilities, despite the strong financial incentive to increase TOT revenue.

Although the issue of TOT revenues introduces a potential challenge to providing lower cost overnight accommodations, it is also a potential tool that could be used to fulfill the requirements for lower cost overnight accommodations without requiring upfront investment from the

developer. Local governments often provide subsidies to high cost hotels as an incentive for developing a new hotel in their jurisdiction, and sometimes use future TOT revenue to offset the subsidy. For example, in 2016, the City of Long Beach considered a TOT sharing agreement between the City and a developer for a new hotel project.[13] The project's TOT revenue was estimated at $54,000,000 over a 20-year period, and the agreement would provide half of the revenue back to the developer over 20 years. After the 20 year period, the full TOT revenue would go to the City.

Similar agreements were described by PKF in a report to the City of Los Angeles on hotel incentives in 2014.[14] That report described 14 specific projects with hotel incentives, some of which had similar TOT sharing incentives, as well as other incentive products like tax increment financing, waived development fees under overlay districts, and sales tax rebates. For TOT sharing incentives, the report highlighted how numerous cities implemented these incentive programs to enhance tourist and travel experience for visitors, maximize use of city properties such as convention centers, provide desirable visitor-serving facilities, and realize city tourism goals. For example, in the City of Palm Springs, the City agreed to rebate a portion of the TOT associated with the Port Lawrence Hotel, with 75% of the total TOT generated on an annual basis for 20 years (and not to exceed $50 million) to be retained by the hotel developer. In addition, in the City of Anaheim, a market Revenue Per Available Room incentive program allowed the 252-room Lake Hotel Development project, located near the City's convention center, to receive a TOT rebate through a 15-year subsidy and a maximum of $44 million in future TOT reimbursements. Although these cases illustrate incentives for developers to build such products, such TOT subsidies could also potentially be used in similar ways to aid local governments and developers in protecting and providing lower cost overnight accommodations.

IV. AFFORDABILITY OF OVERNIGHT ACCOMMODATIONS

As the trend to demolish or convert lower cost hotels continues, and new hotels are for the most part moderate or high cost, fewer visitors will be able to afford to stay overnight along the coast.

According to the Bureau of Labor Statistics' (BLS) Consumer Expenditure Survey, lower income Americans spend significantly less on lodging than higher income Americans (see Figure 7).[15] As defined by BLS, lodging includes all expenses for vacation homes, school, college, hotels, motels, and other lodging while out of town. Because this category includes college and all other lodging while away from home, spending on hotels, motels, and other vacation accommodations is even lower than the amount spent in this category. Nonetheless, the survey provides some perspective on spending on lodging for various income groups. The 2015 survey found that consumer units making less than $70,000 per year spend approximately $200 to $400 on lodging annually. When

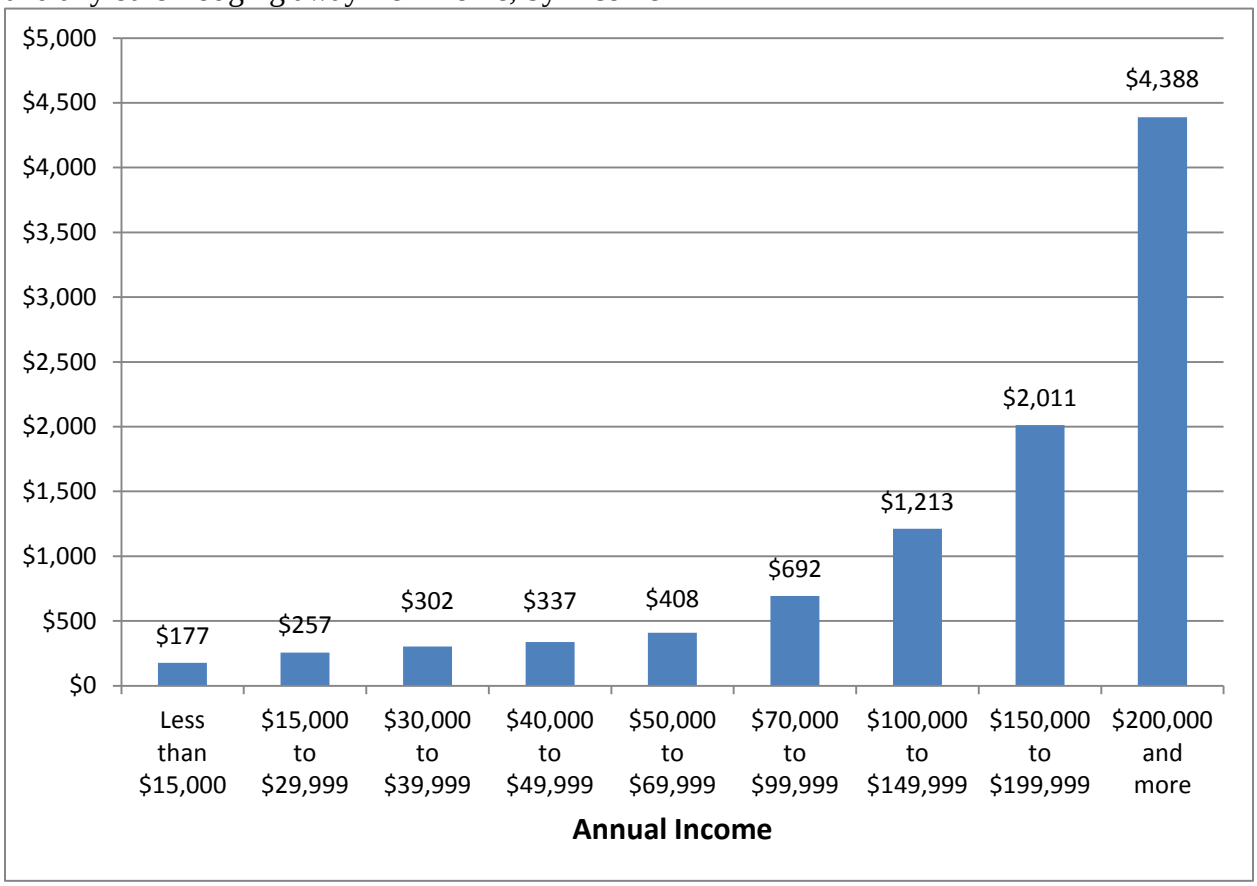
[13] http://www.longbeach.gov/CityManager/Media-Library/documents/Economic-Development/ED-Subsidy-Report--American-Life/.

[14] Hotel Incentive Study prepared by PKF for City of Los Angeles, 30 May 2014.

[15] A consumer unit is defined by the Bureau of Labor Statistics as: "…either (1) all members of a particular household who are related by blood, marriage, adoption, or other legal arrangements; (2) a person living alone or sharing a household with others or living as a roomer in a private home or lodging house or in permanent living quarters in a hotel or motel, but who is financially independent; or (3) two or more persons living together who pool their income to make joint expenditure decisions. Financial independence is determined by the three major expense categories: housing, food, and other living expenses. To be considered financially independent, a respondent must provide at least two of the three major expense categories."

considering that some of those costs are attributed to college expenses, it is clear that households making less than $70,000 per year have a very constrained budget for overnight accommodations, especially as compared to the typical costs for hotels along the California coast, as described above.

Figure 7. 2015 Annual Spending on 'Other Lodging', including hotels, vacation homes, college and any other lodging away from home, by Income

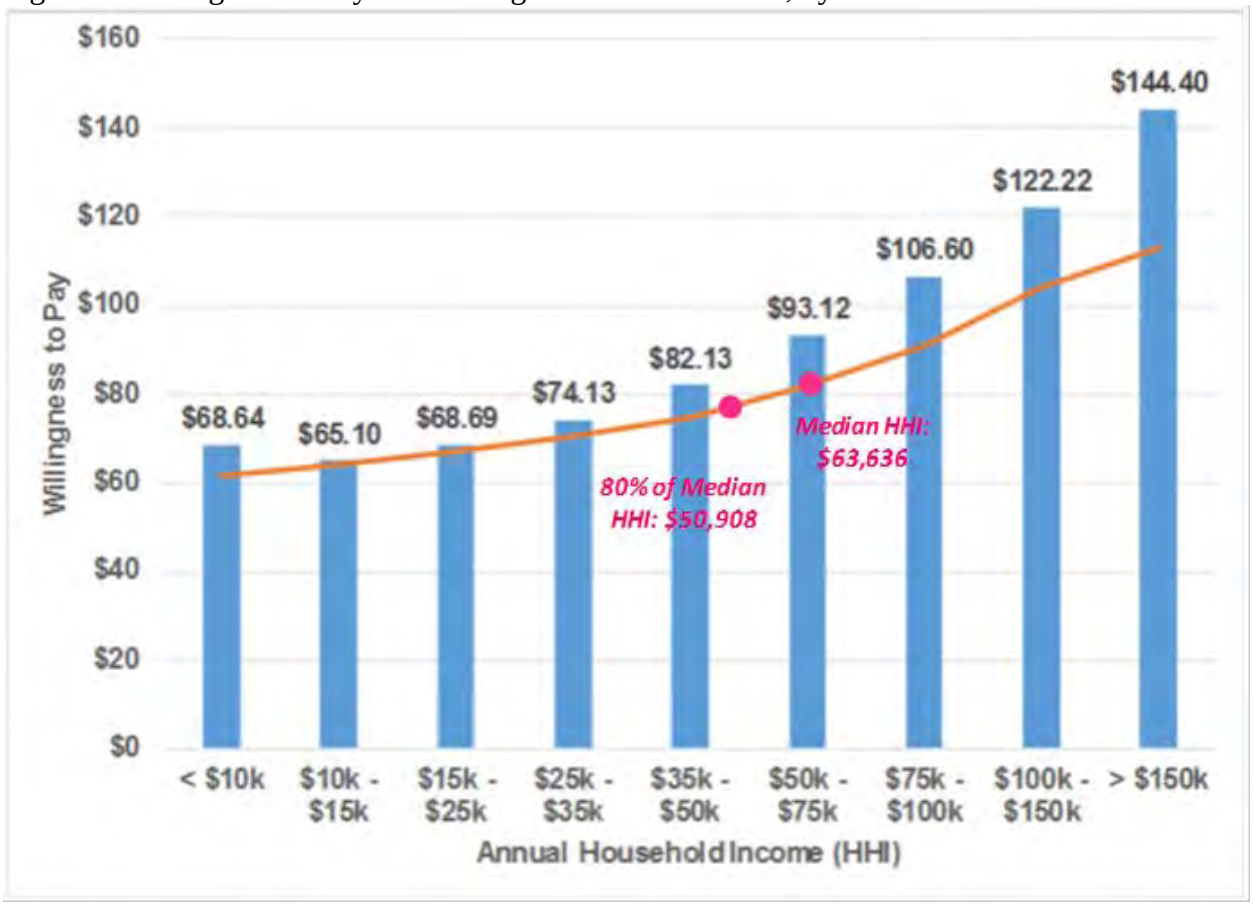


Source: Bureau of Labor Statistics Consumer Expenditure Survey for 2015.

The results of a recent field survey of beach visitors in southern California, conducted with support from the Resources Legacy Fund, are comparable to the results of the BLS Consumer Expenditure Survey. Figure 8, below graphically displays results from the random survey of 1,000 beach visitors at 11 selected beaches in Los Angeles, Ventura, and Orange Counties. The survey and analysis were conducted by researchers at UCLA, San Francisco State University, and the University of Georgia for a forthcoming report. The blue bars represent the average willingness to pay for overnight accommodations on the coast (vertical axis) by income category (horizontal axis). The orange line illustrates the statistically significant result of a linear regression analysis which estimates willingness to pay as a function of income and other demographic variables. Households with California's (2015) median income of $63,636 were willing to pay $82 for overnight accommodations. Households with 80% of the median income ($50,908) were willing to pay $78 for overnight accommodations. The analysis also found a significant result indicating that Hispanic households' willingness to pay is $16.40 less than other households in the survey. The researchers caution that these figures should be seen as one among many indicators for understanding factors affecting access to the coast for diverse visitors. Their final report will

include analysis of other factors, as well as a statewide survey of willingness to pay for overnight accommodations on the California coast.[16]

Figure 8. Willingness to Pay for Overnight Accommodations, by Annual Household Income



Source: Jon Christensen (UCLA) and Philip King (San Francisco State University), personal communication, 19 October 2016.

Although still in draft form, these results verify an important trend whereby willingness to pay and actual expenditures are directly correlated with income levels. At all income levels, few visitors were willing to pay over $150 per night. Given many cities average daily rate is more than $150, the disconnect is significant, and the disconnect is even larger at rates higher than $150, which are often all that is available in certain seasons in certain coastal cities (as described earlier). Ultimately, it becomes those of lesser means who are left with more and more limited options.

According to the U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates, 58% of California's households make less than $75,000 annually. On the other hand, only 15% of California's households make more than $150,000 annually, and only 8% make more than $200,000 annually. Therefore, given the room rates described earlier in this report, including average peak rates of between $175 and $250 per night for economy hotels in several coastal cities, the vast majority of hotel rooms available along the coast can only be accessed by a very small percentage of beach visitors.

[16] Jon Christensen (UCLA) and Philip King (San Francisco State University), personal communication, 19 October 2016.

Given the high cost of hotel rooms, even economy hotel rooms, along the coast, it is clear that the vast majority of Californians cannot afford overnight accommodations, and the lack of lower cost overnight accommodations disproportionately impacts lower income visitors, limiting their ability to access and recreate along the coast.

By forcing this economic group to lodge elsewhere (or to stay at home), there will be an adverse impact on the public's ability to access the beach and coastal recreational areas, and this will be felt disproportionately by those with the least means, inconsistent with the Coastal Act, including the new Coastal Act provisions related to environmental justice, discussed previously. By protecting and providing lower cost accommodations for low and moderate income visitors, a larger segment of the population will have the opportunity to visit the coast. Access to coastal recreational facilities, such as beaches, harbor, piers, and other coastal points of interest, is maximized when lower cost overnight lodging facilities exist to serve a broad segment of the population. In light of the above-described trends in the marketplace and along the coast and information about hotel spending by income, the Commission is faced with increasing responsibility to protect and to provide lower cost overnight accommodations as required by Section 30213 of the Coastal Act.

V. IMPLEMENTING SECTION 30213 TO PROTECT AND PROVIDE LOWER COST ACCOMMODATIONS

The Commission has implemented Section 30213 to protect and provide lower cost accommodations in several ways. In some cases the Commission has denied development that would cause adverse impacts on lower cost facilities. Where development has been approved, lower cost overnight accommodations have generally been required to be provided in one of three ways:

1) On-site lower cost accommodations
2) Off-site lower cost accommodations
3) Payment of an in-lieu fee to fund future development of lower cost accommodations

There are numerous examples of Commission actions requiring new higher cost hotels to provide for lower cost overnight accommodations. The most direct requirement is for in-kind replacement of any lower cost visitor serving resource that is lost with a comparable resource. Such accommodations can be provided in-kind on the site, but has more often been provided off-site. Where there is no current feasible opportunity available to provide in-kind accommodations, the Commission has allowed for mitigation to be provided through an in-lieu fee intended to fund such future facilities.[17]

[17] It is important to note that, although the Commission has historically framed its requirements to provide lower-cost accommodations as mitigation for higher-cost accommodation projects, the provision of lower-cost accommodations is not intended solely as "mitigation" that is imposed on an ad hoc basis to address the impacts of particular projects. Rather, the Commission has sought to affirmatively promote and provide lower-cost overnight accommodations where feasible, as required by Section 30213 of the Coastal Act. Requiring higher cost hotel projects to include a certain percentage of lower-cost units, or to pay an in-lieu fee, furthers the public welfare and Coastal Act policies by promoting the use of available land for the development of overnight accommodations that will be available to low- and moderate-income households. The Commission and local jurisdictions can use their legislative or quasi-

VI. IN-LIEU FEES FOR PROVISION OF LOWER COST OVERNIGHT ACCOMMODATIONS

The Commission has collected over $24,000,000 in in-lieu fees for the provision of lower cost overnight accommodations, and more than $10,000,000 has been spent on the acquisition, construction and renovation of such accommodations along the coast, including for:

- Construction of the 260-bed Santa Monica Hostel;
- Construction of the 100-bed Wayfarer Hostel in Santa Barbara;
- Rehabilitation of the Crystal Cove Cottages;
- Construction of 32 Sonoma Coast State Park campsites;
- Installation of a group campsite at Doheny State Beach (Dana Point);
- Construction of 161 campsites at San Onofre State Beach.

The remaining fees ($13,715,887) are held by various organizations as planning occurs for additional lower cost overnight accommodations projects. The Coastal Commission does not hold any of the available funds. Exhibit 1 summarizes the fees that have been collected and utilized, as well as the fees that are currently available.

Preliminary Staff Recommendations for Commission Discussion

The Commission can enhance efforts to protect and provide lower cost overnight accommodations. The Coastal Act requires public recreational access to be maximized and lower cost facilities to be protected and provided as a way to maximize such access for all segments of the population, including those unable to afford expensive coastal accommodations and facilities. Overnight accommodations are a necessary part of access for visitors who live farther away from the coast. However, lower cost overnight accommodations are currently not accessible to large portions of California's population and its visitors because hotels are prohibitively expensive for most coastal visitors, especially during the summer. In addition, many coastal visitors do not choose to stay in campgrounds or hostels, either because they are too difficult to reserve, because of lack of familiarity with these types of facilities, lack of necessary equipment, or because of health conditions or other circumstances.

To ensure protection and provision of lower cost overnight accommodations, the Commission can take additional steps to more effectively implement Section 30213 and related Coastal Act and LCP policies to increase the stock of lower cost facilities. Staff is making a series of preliminary recommendations for discussion by the Commission. After receiving input from the Commission and the public on each of the preliminary recommendations, Staff will develop Draft Interpretive Guidelines for Overnight Accommodations for consideration by the Commission at a future hearing.

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legislative powers to adopt broad policies or guidelines that carry out the Coastal Act by requiring certain classes of projects to provide a certain amount of lower-cost accommodations, or to instead pay specified in-lieu fees.

The Staff's preliminary recommendations propose a series of measures that include:

1) Clearly defining what constitutes a lower cost hotel;
2) Prohibiting the loss of existing lower cost overnight accommodations, or requiring lost units to be replaced at least at a 1:1 ratio;
3) Requiring new high and moderate cost hotels to provide an adequate share of lower cost overnight accommodations;
4) Where lower cost units cannot be provided as part of the project, requiring in-lieu fees that are adequate to cover the cost of developing those units elsewhere;
5) Ensuring efficient and appropriate use of in-lieu fees, including through partnerships with the Coastal Conservancy and State Parks, and through support for programs that provide outreach to underserved communities; and
6) Supporting appropriately regulated short-term vacation rentals.

Each of these is discussed in more depth in the report below, and each includes staff's preliminary recommendation for the Commission.

1) Defining Lower Cost Hotel Rates

In evaluating the consistency of hotel projects with Section 30213, it is first necessary to determine whether or not the proposed hotel itself can be considered lower cost. When a hotel project is proposed, this determination is made specific to hotels, not all overnight accommodations. Hotels are by their nature more expensive than hostels, campgrounds and most cabins. Thus, the Commission's determination of the rate of a lower cost hotel cannot be used to represent the definition of all lower cost overnight accommodations. On the contrary, even lower cost hotels can be prohibitively expensive for many coastal visitors, including lower income Californians, as described in the preceding sections. Nonetheless, because lower cost hotels provide accommodations for some low and moderate income visitors, and because many visitors might not be willing to stay in other types of facilities (e.g., campgrounds, cabins and hostels), providing lower cost hotels is an important lower cost overnight accommodation that enhances access to the coast.

In the past, in some cases, the Commission has relied on a fixed amount to determine whether a hotel is lower cost. For example, in 1981, in its action on the Fess Parker Convention Center in Santa Barbara (CDP 4-81-205), the Commission found that hotels under $20 per night (which is equivalent to $53 in 2016, as adjusted by the consumer price index[18]) could be considered low cost. More recently, in the Commission's 2006 workshop on condo-hotels, the Commission relied on a figure of $100 to determine the threshold for identifying lower cost rates versus other rates. Similarly, in defining lower cost accommodations, the Coastal Conservancy's study of lower cost overnight accommodations, which is currently being prepared, will rely on a maximum daily rate of $100 or 75% of the statewide average room rate, whichever is higher, to determine lower cost.

Defining Lower Cost Hotels Using a Survey Methodology

In 2007, a more site-specific approach was taken in the Commission's approval of CDP 3-07-002 (Estero Landing), which was a mixed-use project that included ground floor commercial areas and an upper floor six-unit inn in Morro Bay. In that case, the Commission relied on a survey of room

[18] http://data.bls.gov/cgi-bin/cpicalc.pl?cost1=20&year1=1981&year2=2016 (accessed October 4, 2016).

rates for surrounding hotels (which yielded a range of $49 to $138), as well as for nearby hostels and campgrounds (which yielded a range of $9 to $25), to determine that the proposed inn, with proposed rates from $175 to $345, was not lower cost. A similar approach to defining lower cost accommodations was taken in the Commission's approval of CDP 3-07-003 (Front Street Hotel), also in Morro Bay in 2007.

Beginning around 2008, the Commission started to utilize a more complex survey methodology for defining lower cost, moderate, and high cost hotels, that has been used in a number of cases. The methodology compares the average daily rate of lower cost hotels in the subject area, with the average daily rate of all types of hotels across the state. Under the methodology, lower cost is defined as the average room rate of budget and economy hotels that have a room rate less than the statewide average daily room rate.

A hypothetical example is as follows: if there were 10 economy hotels in the target area with an average daily rate less than the statewide average of $100, and the average cost of those 10 hotels was $75, then a lower cost hotel room in that case would be $75 or less, and lower cost hotels would be defined as hotels that charge no more than 75% of the statewide average daily rate. If the average cost of the economy hotels at a particular location was more than $75, then the definition of lower cost would be a higher percentage, and if it was less than $75, it would be lower. Because it is based on a percentage, as the statewide average daily room rate fluctuates, so does this definition of lower cost.

In 2015, the Resources Legacy Fund engaged Maurice Robinson & Associates, LLC (Robinson), to develop an empirically-based method that the Commission could use to determine the rate of lower cost overnight accommodations in the coastal zone (see Exhibit 2). Robinson developed a methodology similar to the Commission's survey methodology in that it relies on the market rates of economy-type hotels in the area. Robinson's method is based on the rates charged for economy motels as defined by STR. The method outlines ten steps to determine the lower cost hotel rate in a given area, and can be performed by a consultant with expertise in hotel markets and feasibility analyses. The Robinson-recommended steps are as follows:

1. *Obtain an inventory of economy motels from STR for the relevant community and identify the motels in that inventory that report to STR (i.e., request STR's free "Participation List").*
2. *Purchase from STR the most recent 12-month period average daily rate ("ADR") data for the reporting economy-class motels selected for the analysis ("STR Run") within the subject community/market. (The geographic area of coverage may need to be expanded as necessary to identify enough reporting motels for the STR Run, as STR has certain requirements on the minimum number of motels and mix of brands for any specific data request.)*
3. *Perform research through online travel agency (OTA) websites such as Expedia, Trivago, etc. to identify economy motel products in the subject market that are not included in STR's inventory.*
4. *Use the OTA web sites to research the base room rates (published room rates are called "Rack Rates") being charged for one-night, single-occupancy, standard lodging at the economy motels, some of which are included in the STR Run; some of which are included in the STR inventory but do not report performance data to STR; and some that are not*

included in the STR inventory, for three different dates in the coming twelve-month period ("Current Year Rack Rates"). For our two case studies, we selected the second Sunday in March (representative of low-season rates); the second Wednesday in May (shoulder-season rates); and the second Friday in July (peak-season rates), and applied the methodology discussed below.

5. *For each economy motel identified, calculate the average of their three Current Year Rack Rates obtained under step 4.*
6. *Calculate the weighted average of the Current Year Rack Rate averages from step 4 for only the motels included in the STR Run. (The weightings are based on the number of rooms provided by each motel. The weighted average calculation starts with the estimated total room revenues achieved by the sample based on their average Current Year Rack Rates, which, when divided by the total number of occupied rooms, gives the average Current Year Rack Rate for the whole group, based on rooms, not based on the number of properties.)*
7. *Divide the ADR from the STR Run by the weighted average Rack Rate for the same motels included in the STR Run as estimated in Step 6. This ratio, referred to as "ADR Factor", represents an estimate of the relationship for the STR Run motels between Prior Year ADR and the Current Year Rack Rates.*
8. *Multiply the average Current Year Rack Rates from step 4 for all the economy motels by the ADR Factor to estimate each property's Prior Year ADR.*
9. *Multiply each property's estimated Prior Year ADR derived under step 8 by the then most recent projection of hotel room rate inflation between the prior and current years as published by STR to translate the Prior Year ADR estimates into ADR estimates for the prospective 12-month period ("Current Year ADR")*
10. *Estimate the median, mean and/or different percentiles as desired of the ADR estimates from step 9 as alternative assumptions on the subject market's LC Rate in the current year.*

Using the method, in 2015, Robinson found a lower cost rate of $87.54 for Pismo Beach, or approximately 58% of the statewide average rate.[19] In Santa Monica, however, Robinson found a lower cost rate of $126.32, or approximately 84% of the statewide average rate.[20] In other words, the lower cost hotel rate for different areas is different, and depends on the current range of rates in that area as compared to the statewide average. This allows site specific circumstances and local conditions to govern the definition of lower cost hotels, thus better accounting for variations in relative rates in different parts of the coast.

Robinson's 10-step method uses data that is reported to STR, as well as a survey of published rates for economy hotels that are not included in STR's inventory. The survey of published rates is by far the most complicated portion of the analysis and also introduces the potential for inaccuracies. The published rate survey is supposed to look at economy hotels that are not classified by STR, but without STRs classification, it is unclear which hotels should be considered economy class. Travel websites use various criteria, some of which is subjective, to determine star ratings, potentially

[19] 2015 Average Daily Rate for California was approximately $150.
[20] Using its typical methodology in Pismo Beach, the Commission found the lower cost rate to be at or below $130, which is significantly higher than the rate Robinson found.

resulting in different ratings for the same hotel.[21] Recent searches on kayak.com, which draws results from multiple websites, show no one star hotels in Santa Cruz or Pismo Beach. In addition, the two-star hotels that were listed ranged from economy class to luxury class, according to STR's classification. Thus, kayak.com's star rating does not match STR's classification system. A search on expedia.com yielded similar results. It is unclear what other criteria could be used to survey economy hotels that are not listed by STR. In addition, published rates can vary depending on the time of year they are obtained, because most hotels use a dynamic pricing model based on predicted supply and demand. For example, if you search in the fall for rates the following summer, they may be quite a bit lower than they would be if you search a week or two before your planned summer visit, after many rooms are already booked.

Fortunately, Robinson also suggests a potential alternative method which includes only three steps and does not require the analysis of published rates. This method would avoid the issues with published rates, described above. In his memo, Robinson describes the pros and cons of the simplified method, and describes that using the simplified approach resulted in a similar result in the two case study examples, as compared to using the 10-step method. In his memo, Robinson states:

> *To apply the above methodology requires research, specifically the collection of OTA Rack Rate data. One alternative is to simply take the average ADR provided by STR for the economy motel segment within the target market, and assume it represents the LC [lower cost] Rate without adjustment. Interestingly, adoption of this approach has some merit if based solely on the conclusions of the two case studies. Specifically, the estimated average Rack Rate-based room rate for all the economy hotels identified in the Pismo Beach and Santa Monica markets is about equal to the estimated average Rack Rate-based room rate for only the economy motels included in the STR Runs for those markets (Pismo Beach = $122.42 average Rack Rate for just STR Run motels, compared to $118.85 average Rack Rate for all economy motels; Santa Monica = $145.55 Rack Rate for just STR Run motels, compared to $146.93 average Rack Rate for all economy motels).*
>
> *Therefore, the application of the methodology set forth above using Rack Rate data results in an ADR estimate for both communities' economy segment in 2015 that is about equal to the ADR reported for the economy motels included in the STR Runs for each community in 2015 (Pismo Beach = $90.17 for STR's ADR estimate, compared to $87.54 ADR estimate using Rack Rate data; Santa Monica = $125.14 for STR's ADR estimate, compared to $126.32 ADR estimate using Rack Rate Data). However, if a metric other than the average rate across all economy motels in a market is to be used (i.e., median rate, 90th percentile rate, etc.), then this simplified approach cannot be applied.*

[21] Sarah Pascarella, "What Do Star Ratings Really Mean?" SmarterTravel.com, 9 July, 2009, https://www.smartertravel.com/2009/07/09/hotel-star-ratings-what-do-they-mean/. Accessed 17 October 2016.

Preliminary Staff Recommendation 1 – Defining Lower Cost Hotel Rate

Staff recommends that the Commission utilize Robinson's simplified method (described above) to determine lower cost hotel rates when evaluating new hotel projects. However, this determination only needs to be made if the proposed hotel rates would be less than 125% of the statewide average rate. The reason for only applying the method if the proposed rate would be less than 125% of the statewide average is because hotels with more expensive rates are not lower or moderate cost, and there is no reason to conduct an analysis to demonstrate this fact. Thus, the vast majority of new hotel projects would not need to perform the analysis (i.e., if the proposed rates are more than 125% of the statewide average, then they are not considered lower or moderate cost in any case). For new hotel projects that are less than 125% of the statewide average daily rate, this will require project applicants to develop the information needed to follow the simplified Robinson method. However, local governments, through certification of new or amended LCP policies could carry out the method for a community or jurisdiction, providing a threshold rate for lower cost hotels that can be increased based on an appropriate index, with periodic updates to the survey (e.g., every ten years).

2) Prohibiting the Loss of Existing Lower Cost Overnight Accommodations

Section 30213 requires the protection of lower cost visitor serving and recreational facilities, including lower cost overnight accommodations. In the past, when the Commission has reviewed proposals that eliminate existing lower cost overnight accommodations, it has typically either denied the development or required the eliminated units to be replaced at a 1:1 ratio, either through in-kind replacement or in-lieu fee mitigation.

Preliminary Staff Recommendation 2 – Prohibiting Loss of Existing Lower Cost Overnight Accommodations

New development should avoid eliminating existing lower cost overnight accommodations, and the Commission should consider denial of applications for new development that would not avoid such elimination. If preserving existing lower cost overnight accommodations is infeasible, and the project would otherwise maximize public recreational access and protect other coastal resources, as required by the Coastal Act, then the permit approval should require the eliminated units to be replaced at least at a 1:1 ratio, either through in-kind replacement or in-lieu fee mitigation.

3) Requiring New Moderate and High Cost Hotels to Provide for Lower Cost Overnight Accommodations

<u>High Cost Hotels</u>

The Commission's general practice has been to require new higher cost hotels to provide a portion of the new units as lower cost accommodations, even in cases where there is a higher concentration of economy hotels as compared to other locations along the coast. This is appropriate because, as discussed above, many economy hotel rooms are being lost, and it is important to construct new ones to refresh and supplement the existing, often older, stock.

However, there are some limited cases where it may be appropriate to reduce or eliminate the requirement that new high cost hotels provide for lower cost accommodations. For example, in the far northern part of the state, where the availability of lower cost overnight accommodations is much higher, hotel occupancy rates are much lower, and the overall number of visitors is much lower, providing high cost hotels might actually increase public access by providing a full range of accommodations. In Del Norte County, Crescent City, and Fort Bragg, the Commission certified LCP policies that require mitigation for the loss of lower cost hotels only when the average annual occupancy rate of area hotels exceeds 70%. This was in part because occupancy rates were so low, high end hotels were scarce, the overall visitor demand is lower, and the larger economy is in need of support. In addition, in Imperial Beach, the Commission found that imposition of the fee would not be appropriate for the Seacoast Inn. In that case, the Commission found that there were only three hotels in the entire City, none of which were high cost hotels, which is unusual for a beachfront community. The Commission also found that the lack of accommodations, in particular, higher cost accommodations, appeared to be partially the result of a long-standing depressed local economy and ocean water quality problems the City faced as a result of sewage flowing north from Mexico. Given the unique economic and environmental circumstances in Imperial Beach, the Commission found that imposition of the fee would discourage or prevent the development of visitor serving overnight accommodations, rather than increase lower cost facilities and public access. In these cases, lower cost accommodations were not required to be provided because they were not necessary to maximize access, and new moderate and high cost accommodations would enhance access by providing a range of accommodations.

However, for the vast majority of the state's coastline, the local economy is stable, there are adequate numbers of high cost hotels, and very limited lower cost accommodations. As illustrated in this report, lower cost hotel rooms are a scarce resource along the majority of the California coast, especially south of Humboldt County. The Coastal Act requires lower cost visitor serving facilities, including lower cost overnight accommodations, to be protected and provided because they are necessary to maximize public access and recreational opportunities, particularly for those of the least means. Therefore, it is appropriate, even in areas with abundant economy hotels, to require high cost accommodations to provide for lower cost options.

Preliminary Staff Recommendation 3A – Requirements for New High Cost Accommodations

Require all new high cost accommodations to provide for a portion of the new units as lower cost visitor serving overnight accommodations,[22] except in cases where the Commission finds all of the following:

1) There is adequate local availability of lower cost overnight accommodations, and;

2) There is a lack of local moderate and high cost accommodations, and;

3) The new accommodations would bring needed economic growth to a depressed local economy, and;

4) Providing the lower cost overnight accommodations would make the project infeasible.

[22] Provision of lower cost overnight accommodations raises some significant issues with regard to enforcement and the ability to ensure long-term monitoring. These issues will need to be addressed in such a way as to make any such permit and conditions transparent and workable, and to provide clear, verifiable criteria with which to monitor compliance on an ongoing basis, and may require provisions to ensure this, such as a requirement for a third party monitor.

Moderate Cost Hotels

In evaluating new hotel projects, the Commission has often determined not only the rate of lower cost hotels, but also the rate of moderate cost hotels. This analysis reflects the fact that even moderate cost hotels have become less common over time.

The Commission has taken a variety of approaches to defining moderate cost hotels, but in general, has concluded that moderate cost hotels are those that are higher than lower cost, but less than 125% of the statewide average room rate. For example, this approach was taken in SBV-MAJ-2-08 (City of Ventura Downtown Specific Plan), 6-13-0407 (McMillin NTC, LLC), and 5-82-291-A4 (SHC Laguna Niguel, LLC).

For 2015, using the threshold of 125% of the statewide average would mean that moderate cost hotels had an average daily rate up to approximately $190. This threshold is appropriate, given the willingness to pay and actual expenditures on overnight accommodations discussed above on page 23.

Without moderate cost hotels, an even larger segment of the population is excluded from overnight stays at the coast, further reducing public access, inconsistent with the Coastal Act. Because of the threat to moderate cost hotels, the Commission has typically not required new moderate cost hotels to provide for lower cost overnight accommodations. Instead, the Commission has more broadly assured that the project conforms to the public access policies of the Coastal Act by requiring some lower cost facilities within the hotel to be available to the general public (e.g., trails, view decks, restaurant facilities, etc.).[23]

As discussed above, the majority of visitors cannot access a lower cost hotel, and even fewer visitors can access moderate cost hotels. Because moderate cost hotels exclude the vast majority of Californians, new moderate cost hotels should provide for lower cost accommodations. Therefore, given the Coastal Act's requirement to maximize access for all visitors, and given the impact of the lack of lower cost overnight accommodations on low and moderate income visitors, new moderate cost hotels should provide for lower cost overnight accommodations as well.

[23] See for example, Grover Beach LCP Amendment 1-12 Part 1 (Grover Beach Lodge). These provisions also raise enforcement issues, and if used in the future, would require analysis to ensure the related permit conditions are effective. See footnote 21.

Preliminary Staff Recommendation 3B – Requirements for Moderate Cost Accommodations

Require new moderate cost accommodations to provide lower cost overnight accommodations. This is necessary because even moderate cost accommodations in the coastal zone exclude the majority of Californians. However, the percent of Californians excluded is less for moderate cost accommodations as compared to the percentage excluded by high cost accommodations. Thus, the requirement applied to moderate accommodations should be lower than the requirement for high cost accommodations.

The amount of reduction should be proportionate to the proposed rates. Once the lower and high cost thresholds are identified, a moderate cost price point will fall in between these two ends of the spectrum. If the spectrum is broken up percentagewise, a roughly proportional mitigation can be established. For example, if the lower cost threshold is $75 and the high cost is at $175, the moderate range in between can be identified from zero to 100% of high cost. In this example, every $1 increase is also a 1% increase, so a rate of $100 would be 25% high cost, and rate of $150 would be 75% high cost. These moderate cost accommodations would then be required to provide lower cost accommodations at that percentage (e.g., if it were $150 in that example, then the required lower cost accommodations would be 75% of what the requirement would have been in a high cost scenario).

As discussed above, the Commission is prohibited from setting room rates for any privately owned and operated hotel. Although the preliminary staff recommendation calls for evaluating proposed hotel rates in a fairly precise manner, the Commission would use this evaluation only to determine the appropriate provision of lower cost visitor serving facilities as required by Section 30213, not to limit or otherwise set the amounts that can be charged for rooms.

Evaluating Suite Hotels

Sometimes, applicants propose suite hotels that include non-standard amenities, such as kitchens and/or larger rooms that can accommodate larger groups of people than a standard hotel room can accommodate. Suite hotels typically cost significantly more per unit for a night's stay, as compared to a standard hotel room (i.e., single room double occupancy) options. This type of hotel product is preferable in some markets because the net operating income can be higher. For example, in 2013 (the last year for which data was available to Commission staff), the net operating income for suite hotels with and without food service were 31% and 38.1% respectively, while the net operating income for standard full service hotels (with food service) and limited service hotels (without food service), were 26.8% and 36.5%, respectively.[24]

In addition to potentially providing a higher return on investment, applicants for these types of hotel products also often argue that any required lower cost mitigation should be reduced (i.e., they should be given 'credit') because they are providing a cost savings to larger groups or families that might be able to stay together in one suite, instead of renting two standard hotel rooms, or who might be able to cook their meals in the kitchen to save money on dining out, etc..

In the past, the Commission has acknowledged this potential cost savings, and in some cases has considered a high cost hotel with 'value added' features such as suites or kitchens to be moderate

[24] Trends in the Hotel Industry USA Edition 2014, PKF Hospitality Research.

cost, instead of high cost, thus reducing the requirement to provide lower cost overnight accommodations. However, the Commission has considered this approach based on the facts of each case and has not applied any sort of standard methodology to the reduction in mitigation.

Developing such a methodology would be extremely challenging given the variety of potential amenities that could be assigned a credit. For example, how much credit should be assigned to a pull-out couch in a living room as compared to a bed in a bedroom, or to a full kitchen versus a kitchenette, or to free breakfast, etc.? One potential method for addressing a reduction in the requirement to provide lower-cost accommodations would be to evaluate the number of *rooms* provided at the proposed average daily rate, rather than the number of units. For example, if the hotel included units with two-room suites with an ADR of $300, these units would be considered as equivalent to two, standard, double occupancy hotel rooms, or two rooms at $150 each. The difficulty with this is that a two-room suite does not provide the same amount of flexibility as two hotel rooms, and should therefore not be considered 'twice' the value of one standard hotel room. Further, other 'value-added' amenities are difficult to evaluate systematically across different products (how much credit does a full kitchen get versus a small refrigerator and a microwave, etc.). One way to account for this would be to establish a list of criteria that could provide points for each amenity provided. Even then, such an evaluation would be very difficult, and fraught with potential for subjective decisions in any one case, making it less useful as a protocol. Moreover, implementing any such provisions raises significant monitoring and enforcement challenges.

Furthermore, as discussed above, the cost of a moderate or high cost hotel, regardless of the room size or number of amenities, is out of reach for the majority of Californians. Moreover, because the units are larger, there are fewer on a given site. Because the Commission has typically required provision of lower cost overnight accommodations based on the number of units, not the square footage of the units or some other factor, these hotels are already required to provide fewer lower cost units compared to a similarly sized hotel that has typical room sizes. For example, if a site can accommodate either 80 standard-sized hotel rooms or 40 suites, the requirement to provide lower cost units based on unit numbers alone would be half as much for the suites. Thus, developers of suite hotels are already provided with a reduced requirement for providing lower cost accommodations as compared to standard-sized hotel rooms. This approach implicitly and appropriately takes into account the fact that suites may provide more cost-effective accommodations on a per person, if not a per unit, basis, without introducing unworkable points-based systems to account for the alleged benefit of various amenities.

Preliminary Staff Recommendation 3C – Evaluating Suite Hotels

Commission staff recommends against providing a 'credit' for hotel rooms based on their size or amenities. Rather, staff recommends that the Commission focus on the projected cost per unit provided. This method provides for a reduced requirement for suite hotels, as described above, but also ensures that lower cost overnight accommodations will be protected and provided, as required by the Coastal Act, and does not introduce a system that could be overly complicated and easily manipulated (such as a 'point' approach for a variety of amenities and products).

Requiring Adequate Provision of Lower Cost Overnight Accommodations in New High and Moderate Cost Overnight Accommodations

The Commission and local governments have a long history of implementing Section 30213 by ensuring that new overnight accommodations provide for lower cost accommodations, either on-site, off-site, or through payment of an in-lieu fee to be spent on providing new lower cost facilities. Section 30213 requires lower cost facilities to be provided where feasible, for the purpose of maximizing public access and recreational opportunities. Despite high land costs, given the high demand for overnight accommodations, even lower cost accommodations can be feasible from an economic perspective in many coastal areas. However, the development pressure trends towards higher cost accommodations because they are more profitable. Nonetheless, it is clear that demand for lower cost overnight accommodations far exceeds the supply of such accommodations, and thus to maximize public access, especially for lower income visitors, a significant portion of new overnight accommodations should be provided at lower cost.

Typically, the Commission has required mitigation for 25% of new rooms created and 100% of existing rooms lost. For example, in 2009, the Commission approved an amendment for the City of Newport Beach requiring in-lieu fees to provide for 100% of the number of lower cost units that are lost, and 25% of the number of new high cost units that are constructed.[25] This approach was also used in CDP A-5-LGB14-0034 for the remodel of a hotel in Laguna Beach and in CDP 5-13-0717 for the construction of a new hotel in Hermosa Beach.

Requiring at least 25% of new overnight accommodations to be lower cost helps provide a range of opportunities for visitors of all incomes. Although the Commission could, and sometimes has, used a different percentage it has most often used the 25% figure, which mirrors requirements related to affordable housing that the Commission used when the Coastal Act required it to protect and provide for affordable housing (see discussion above, starting on page 7). Aiming to ensure that 25% of new overnight accommodations in the coastal zone are lower cost is also logical from a policy perspective. Data from STR demonstrates that 25% of hotel rooms in the inland and coastal areas of coastal counties are lower-cost, "economy" rooms. Seeking to ensure that new hotels in the coastal zone provide at least a similar percentage of lower cost accommodations would help maximize public access and recreational opportunities as required by the Coastal Act.

Commission staff is currently gathering more data to determine the present percentage of lower cost hotel rooms and other overnight accommodations in or near the coastal zone, as opposed to within all areas of coastal counties. For example, the Coastal Conservancy is compiling data on all accommodations (including campgrounds, hostels, and hotels charging less than 75% of the statewide average room rate) within 1 mile of the coast. This information should provide useful data that can help the Commission support or refine its recommendation that new project should provide at least 25% lower-cost overnight accommodations. Nevertheless, current data indicates that the percentage of economy hotel rooms in coastal counties, as compared to all hotel room types, is approximately 25%. Commission staff's preliminary recommendation is therefore to require projects, and local jurisdictions through their LCPs, to require new lower cost overnight accommodations consistent with this percentage.

This approach is consistent with the manner in which many jurisdictions require new development to pay for or provide sufficient services to maintain existing levels of those services – e.g., new development must maintain existing levels of park acreage per resident. Here, the recommended

[25] Newport Beach LUP Amendment NPB-MAJ-1-07.

policy would require that new, higher cost accommodations help ensure maintenance of existing, statewide levels of lower cost accommodations in coastal counties. Accordingly, staff believes that 25% is the appropriate figure for the Commission to be applying in this sense. However, it is important to again note that economy hotels along the coast are typically out of reach for the majority of visitors, and provision of such rooms is not the only way in which the Commission and local jurisdictions can or should carry out Section 30213. Rather, the Commission and local jurisdictions will need to continue to look for other opportunities to protect, encourage and provide lower cost accommodations, such as by providing for campground and hostel facilities, and by supporting outreach programs that provide opportunities for those with lower incomes to stay at the coast.

Requiring provision of lower-cost accommodations has ensured that, even as the trend toward higher cost hotel rooms continues, some lower cost overnight accommodations have been provided for. However, as previously described, the supply of lower cost accommodations does not come close to meeting the need and demand for such accommodations. The majority of Californians are not in a position to stay in any of the hotels along the California coast, especially during the summer season. Further, hostels, campgrounds, tent cabins and other types of alternative camping are in such high demand that it is often not possible to book such accommodations, even many months in advance, and at the same time, the portion of the population willing to stay in campgrounds or hostels is limited. Moreover, there is a finite amount of land available for visitor-serving uses along the coast, and because far more high and moderate cost accommodations are proposed in this area than lower cost accommodations, it is important to ensure that the remaining opportunities for lower cost overnight accommodations are not reduced or eliminated.

Preliminary Staff Recommendation 3D – Required Percentage of Lower Cost Units

Require new high cost hotels to provide at least 25% of new units as lower cost accommodations (i.e., if there are 100 high cost units in a new hotel, the developer needs to provide for at least 25 lower cost units on or off-site and/or a fee equivalent to providing 25 such units) and 100% replacement for each lost lower cost unit. Staff also recommends that the Commission require moderate cost hotels to provide for lower cost accommodations at a rate that is proportionate to the proposed room rates. As discussed above, in Recommendation 3B, once the lower and high cost thresholds are identified, a moderate cost price point will fall in between these two ends of the spectrum. If the spectrum is broken up percentagewise, a roughly proportional requirement can be established. For example, if the lower cost threshold is $75 and the high cost is at $175, the moderate range in between can be identified from zero to 100% of high cost. In this example, every $1 increase is also a 1% increase, so a rate of $100 would be 25% of high cost, and rate of $150 would be 75% of high cost. These moderate cost hotels would then be required to provide lower cost overnight accommodations at that percentage (e.g., if it were $150 in that example, then the requirement would be 75% of what the requirement would have been in a high cost scenario).

4) Requiring Adequate In-Lieu Fees

In most cases, it is financially feasible to provide at least a portion of new proposed hotel units as lower cost. However, hotel developers who are developing moderate or high cost hotels are rarely willing to provide lower cost units on-site as part of the development. When in-kind mitigation is not applied, the Commission and local governments have typically required mitigation fees to be paid in-lieu of providing in-kind units. For example, in 1979, the Commission required, and the

applicant agreed, to provide one lower cost accommodation for every three new hotel units in the Laguna Niguel planned development (Master Permit P-79-5539). In subsequent permit actions on the hotels, the Commission required provision of lower cost visitor accommodations in conjunction with the hotel development, but permitted the developer to contribute in-lieu fees to be used for construction of the lower cost facilities. Also, both the Marina Beach and Marina Plaza Hotels (A-49-79 and A-207-79) were required to provide $365,000 each for construction of a superior grade youth hostel within the Marina del Rey Coastal zone.[26] AVCO Community Developers, applicants for what became the Ritz Carlton Hotel in Laguna Niguel (CDP 5-82-291, as amended), were required to construct 132 units of lower cost visitor accommodations, including a minimum 66-bed youth hostel. This requirement was subsequently converted to an in-lieu fee, which was ultimately used for restoration of the Crystal Cove Cottages.

Calculating In-Lieu Fees

In terms of calculating mitigation fees for high cost hotel rooms, the Commission has typically calculated these fees based on the cost to provide campground units or hostel beds. For example, CDPs 3-07-002 (Scott), 3-07-048 (Smith-Held), and A-3-PSB-06-001 (Beachwalk), included fees based on the estimated cost of constructing one campsite ($13,860) multiplied by 25% of the total number of constructed rooms. Examples of permits requiring an in-lieu fee based on the cost of a hostel bed include hotel development projects in the City of Long Beach (CDP 5-98-156-A17) and in the City of San Diego (CDP 6-13-0407) for which the Commission calculated the in-lieu fee based on figures provided by Hostelling International for a cost per bed in leased facilities ($18,300 per bed) and on purchased land ($44,989 per bed).[27]

Unfortunately, in most cases, the fees that have been collected have not been nearly enough to provide the intended mitigation, and the lack of adequate funds has made it difficult to utilize them at all. For example, for CDP 2-83-026 (Duncan Mills), the Commission collected $132,300, with the intention of providing for 63 campsites, but only 32 campsites were able to be built. In CDP 6-81-330-A1 (Southern California Edison, San Onofre), the Commission required a $3,000,000 fee with the intention to build 200 campsites, but only 161 campsites were developed. Another example relates to the combined permit for CDPs 5-87-980 (Hemmeter Laguna Niguel Partners), 5-92-291 (AVCO), and 5-86-503 (Stein Brief Group). For this case, the Commission intended that the in-lieu fee provide for 132 lower cost units, with at least 66 of the units comprised of hostel beds, and the remainder comprised of motel rooms. So, for example, the mitigation project could be a 66-bed hostel and 66 motel rooms, or a 100-bed hostel and 32 motel rooms, etc. The combined permit resulted in a fee of $2,946,125 that was used for the phase 1 and 2 restoration of the Crystal Cove cottages. Although the Crystal Cove cottages are an incredibly valuable visitor serving resource, they provide only 35 dorm beds and 14 cottage units. Thus, the project provided less than half of the intended mitigation, even if you count each cottage unit as equivalent to two

[26] These in-lieu fees were used for development of the Santa Monica hostel.

[27] The fee amount was established based on figures provided to the Commission by Hostelling International in a letter dated October 26, 2007. The figures provided by HI are based on two models for a 100-bed, 15,000 sq. ft. hostel facility in the Coastal Zone. The figures are based on experience with the existing 153-bed, HI-San Diego Downtown Hostel. Both models include construction costs for rehabilitation of an existing structure. The difference in the two models is that one includes the cost of purchase of the land and the other is based on operating a leased facility. Both models include "Hard" and "Soft Costs" and startup costs, but not operating costs. "Hard" costs include, among other things, the costs of purchasing the building and land and construction costs (including a construction cost contingency and performance bond for the contractor). "Soft" costs include, among other things, closing costs, architectural and engineering costs, construction management, permit fees, legal fees, furniture and equipment costs and marketing costs.

motel rooms. Moreover, the $2,946,125 fee was only a small portion of the total cost of the phase 1 and 2 project, which totaled $8,600,000.[28]

The discrepancy between the fee collected and the fee needed to construct a mitigation project may be even more acute for the funds that are not yet spent. For example, for the Half Moon Bay resort, $350,000 ($384,555 with interest) was collected for the purpose of providing a campground with tent campsites and restrooms that would serve the equivalent of 20% of the 350 hotel rooms that were constructed. It is not entirely clear how many campsites were intended, but 20% of 350 hotel rooms is equal to 70 campsites. However, the current potential use of the fee, which is a new campground at Montara State Beach, would only provide 5 to 7 campsites, and according to the feasibility study, the development costs would likely exceed the amount of the fee. Another example is the Highlands Inn fund, which collected a total of $696,000 ($808,594 with interest) with the intent of developing 87 hostel beds on the Monterey Peninsula or Big Sur Coast, with the entire amount earmarked for a hostel on public land at Point Lobos Ranch and/or Pfeiffer Big Sur State Park, or, if not feasible, a portion of the fee for a hostel at Carpenters' Hall in Monterey and/or at Ford Ord. The current potential use for those funds include new cabins at Pfeiffer Big Sur State Park, or campsites or cabins at Piedras Blancas in San Luis Obispo. As discussed below, these projects have a current development cost estimate of $230,000 per cabin at Big Sur, $149,000 per cabin at Piedras Blancas, and $69,000 per campsite at Piedras Blancas. This means the collected amount would provide for about 3 to 5 cabins or 12 campsites, which is far less than the intended 87 hostel units. Thus, it is clear that the amount collected has been far too low to result in an actual mitigation project that meets the intent of the condition.

Although these funding amounts are far too low to be used for their intended purpose, they do provide a valuable funding source that could be used in conjunction with other funds to develop capital projects, or that could be used to help fund outreach programs that provide overnight accommodations for underserved communities (see further discussion below). Just as importantly, they provide evidence that suggests that in some cases the number of lower cost units envisioned by the Commission as adequate to meet the requirement of 30213 were not able to be provided. In other words, the Commission has historically underestimated the true costs of providing for such units. This experience suggests that the Commission needs to reevaluate the manner in which such fees are calculated.

Updated Estimates of Costs to Construct Lower Cost Overnight Accommodations

There have been recent efforts to more adequately assess the cost of mitigation for lower cost overnight accommodations. In 2014, Hostelling International provided an estimate for the cost to construct each hostel bed, and found that the cost had increased from the long used $30,000 figure up to $42,120. The Commission hired Maurice Robinson & Associates, LLC to peer review the HI estimate. Robinson found it to be appropriate for estimating construction costs, but pointed out a significant issue as it relates to land costs. In the past, the Commission had only been requiring mitigation based on the cost to construct each hostel bed, but many new hostels are on private land that must be purchased. Each hostel bed requires approximately 120 square feet of land area. If the cost of the land purchase is not included in the calculated fee, then the funding will not be adequate, even using the updated construction figure of $42,120. To address this deficiency, Robinson suggested a method to calculate the average cost of land in the surrounding area. The

[28] Memorandum from Department of Parks and Recreation Acquisition and Development Division to California Coastal Commission South Coast District Office, "Low Cost Overnight Facilities – Distribution of Funds", 21 January 2004.

method involves using an on-line search tool, such as through large real estate brokerages or appraisal firms, for vacant land sales to derive a current estimate of the cost for an appropriately-sized local parcel of land, in an appropriate zoning district, to support replacement lodging units. For each proposed hostel bed, at least 120 square feet of land is required; as such, the appropriately sized local parcel of land (area) should reflect the number of beds required multiplied by 120 square feet.

Although the Commission has previously mitigated the loss of existing lower cost hotel rooms with construction of new hostel beds at a rate of one hostel bed for each hotel room lost, this approach appears to not adequately provide for lower cost overnight accommodations, including as evidenced by the examples described above. In fact, it is clear that these are apples and oranges comparisons, and continued use of a tool that mitigates a *hotel room* through a *hostel bed* appears unwise. A hotel room represents a much larger space than a single hostel bed, and can typically accommodate two to four people, instead of just one. Therefore, the capacity of the mitigation is significantly less than the project's impact. In addition, while some visitors may be willing to stay in the type of shared accommodations provided by hostels, some may choose not to stay in such an environment for a variety of reasons. Thus, the replacement of lower cost hotel rooms with hostel beds reduces the capacity of lower cost overnight accommodations and polarizes the remaining overnight visitor serving accommodation into two types: high cost hotel rooms or hostels beds in shared rooms. The lower cost hotel options are effectively eliminated by this replacement method. The same principal is true for mitigating the loss of lower cost hotel rooms with RV parks or campgrounds. This circumstance further limits public access and recreational opportunities at the coast, especially for people with lower incomes.

Costs to Provide New Lower Cost Hotel Rooms

The cost of replacing lower cost hotel rooms with new lower cost hotel rooms is significantly higher than replacing them with hostel beds. For example, in 2015, in conjunction with the Commission's review of CDP 5-15-0030 (Sunshine Enterprises/Shore Hotel), Robinson estimated a construction cost of $100,000 per hotel room. Recent correspondence from Robinson indicates that the $100,000 figure is still appropriate for use in California. According to Robinson, the 2015 HVS Hotel Development Cost Survey shows that the average costs for construction for economy-type hotels is $80,000 to $120,000 per room (excluding land). However, California construction costs are higher than national averages, due to higher labor costs and environmental requirements. Robinson concludes that the $100,000 figure is appropriate to use statewide in California.[29]

Each hotel room requires approximately 250 square feet of land. For the Shore Hotel case, the Applicant reported that the average cost per square foot of land to build a hotel somewhere in the City of Santa Monica was $293 as of 2013, and the cost was even higher in the coastal zone of Santa Monica, at $578 per square foot as of 2015. Using the coastal zone estimate would have resulted in an in-lieu fee of $244,500 per room.[30] Using the Commission's more typically applied hotel room to hostel bed conversion, the per bed amount would have amounted to $111,480.[31] Although the $244,500 per room figure is substantially higher than previous fees, it represents the cost to provide a lower cost hotel room in that market.

[29] Maurice Robinson, personal communication, 17 October 2016.

[30] ($578 x 250 square feet) + $100,000 per room = $244,500

[31] ($578 x 120 square feet) + $42,120 per hostel bed = $111,480

In addition to the estimates from Mr. Robinson, the Conservancy is also currently exploring the feasibility of purchasing lower cost hotels that would be leased or operated by a private entity and maintained in operation at a lower cost rate to the public. They have a contract with a consultant to research lower cost overnight accommodations, including the following task:

> *One option that will be considered in the Conservancy's plan for preserving and increasing lower-cost accommodations would be the purchase and operation of motels within the coastal zone by either a public agency or nonprofit organization. To better inform this discussion, the Consultant will prepare an operating pro forma and ten-year cash flow statement to evaluate financial feasibility of acquiring and operating a motel with the goal of providing lower-cost coastal accommodations. For the purposes of the study, the Consultant will provide the Conservancy with a minimum of three motels to consider for the analysis and will then analyze the purchase of the motel selected by the Conservancy.*
>
> *The feasibility study should include:*
>
> - *Property summary including number of rooms, maximum occupancy, condition of property.*
> - *Market analysis of area – undertake a comparables analysis of room rates and vacancies in the general area of the property.*
> - *Estimated acquisition costs.*
> - *Estimated financing terms.*
> - *Estimated gross revenue based on three different pricing scenarios. The Conservancy and consultant will work together to define the pricing scenarios and the Consultant will estimate the vacancy rate for each scenario to develop revenue projections. Likely pricing scenarios would be: 1) maximum lower-cost accommodation rate; 2) 75% of maximum lower-cost accommodation rate; and 3) break even rate assuming 80% financing for acquisition.*
> - *Summary of expenses for operations and management, including building of reserves for capital improvements.*
> - *Estimated net revenue based on the three pricing scenarios*
> - *Ten year cash flow projection*
> - *Sensitivity analysis on key assumptions (e.g. prices, vacancies, financing terms, etc.).*

If such a program were determined to be feasible, it could potentially provide an alternative method to calculating the cost of mitigating hotel rooms with hotel rooms. Such a program could also provide an opportunity to offer a lower cost hotel as mitigation, as opposed to hostel accommodations, campgrounds or cabins. This could expand the utility of the lower cost overnight accommodations mitigation program by reaching people who are not willing or able to stay overnight in a hostel, campground or cabin. Public agencies have been successful in providing desirable hotel accommodations for the public through a third-party operator. Examples include the Big Sur Lodge at Pfeiffer Big Sur State Park, lodging at the Asilomar Conference Grounds at Asilomar State Beach, and the upcoming Grover Beach Lodge at Pismo State Beach.

Recent Estimates for Lower Cost Overnight Accommodations Projects on Public Land

Recent estimates developed for lower cost overnight accommodations projects on public land also shed light on the amount of funding necessary to implement a mitigation project. Staff has been working with State Parks on a potential campground project at Pfeiffer Big Sur State Park. The project would provide 13 cabins, and the initial rough estimate for the project is $3,000,000, or approximately $230,000 per cabin. State Parks also has detailed cost estimates for the 13 cabins recently constructed at Angel Island. The cost estimate for those cabins, which exclude planning and other pre-construction costs, is $233,570 per cabin. In addition, staff reviewed detailed cost estimates for the Harbor Terrace project, a new campground on Port San Luis Harbor District property in Avila Beach, which includes 15 RV cabins (similar to tent cabins), 80 RV campsites, 56 tent campsites, and 31 cabin units. The total project cost was estimated at approximately $16,400,000.[32] For the structures themselves, with no other costs for construction or otherwise, each RV cabin was listed at $60,000, each cabin was listed at $80,000, and each RV campsite pad was listed at $5,000. The remaining costs, for earthwork, landscaping, infrastructure, etc. were estimated at approximately $12,600,000, or a little over $69,000 per unit, whether that is a campsite unit or cabin unit. Thus, the total cost for each cabin was estimated at approximately $149,000; each RV cabin was estimated at approximately $129,000; each RV campsite was estimated at $74,000; and each tent campsite was estimated at approximately $69,000. These estimates are significantly higher than have typically been applied by the Commission in past cases. However, they provide a better sense of true costs. Even then, none of the aforementioned costs include land costs, so the actual costs per unit are substantially higher.

Preliminary Staff Recommendation 4A – Calculating In-Lieu Fees

Although the costs of lower cost overnight accommodations projects vary widely, it is clear that in the past, the Commission has not collected enough fees to actually provide the required units. Further, the fee has typically been based on replacing a lost hotel room with one hostel bed, which has a lower capacity for providing lower cost overnight accommodations. Moving forward, Staff recommends requiring an in-lieu fee that is adequate to provide for the intended lower cost overnight accommodations to be developed. To be successful, Staff will need to develop a methodology for identifying these costs. The method should be based on estimates that incorporate at least the following costs:

1) Planning, engineering, design and permitting work;
2) Infrastructure development, including water and sewer;
3) Site preparation, including earthwork and drainage improvements;
4) Cost to acquire land, if necessary to complete the project;
5) Construction costs for all required buildings, including restroom buildings;
6) Fire protection and associated improvements;
7) Access roads;
8) ADA requirements;
9) Habitat restoration, if required;
10) Administrative costs for the fee holder.

[32] This figure includes $450,000 for preconstruction costs but excludes a $3,650,000 cost for harbor uses (including mini storage and maintenance buildings, office, parking and boat storage).

In Perpetuity Requirement

The Commission has typically required in-lieu fees to provide for lower cost accommodations that will be operated on an ongoing basis, in perpetuity. The reason for this requirement is that the purpose of the in-lieu fee is to mitigate for the loss of existing lower cost accommodations, or the loss of opportunity for new lower cost accommodations caused by the development of moderate or high cost accommodations. When new moderate or high cost accommodations are developed, it is highly unlikely that they will be replaced with lower cost accommodations in the future, due to the market pressure previously described. Thus, it is appropriate that the lower cost accommodations that are provided as mitigation are similarly permanent.

In the past, the requirement to maintain mitigation projects as lower cost accommodations on an ongoing basis did not pose a significant problem for the Commission's public agency and non-profit partners, and our partners have every intention of maintaining lower cost accommodations once they are developed. However, in recent years, as general funding for ongoing maintenance and operations has dwindled at many agencies, and loan requirements have tightened, requiring new projects to last 'in perpetuity' has become more of a challenge. For example, both State Parks and the Coastal Conservancy have expressed serious concerns over enforcing a requirement to maintain the mitigation as lower cost in perpetuity.

In discussions with State Parks and the Coastal Conservancy, both agencies have said that they typically intend for new capital improvement projects to have a life of 20 to 30 years. There have also been projects that use a longer timeframe, such as the 50-year lease for the Grover Beach Lodge. Therefore, Staff recommends that mitigation funds be provided in an amount that allows for construction and maintenance of the lower cost units so that they are open and available to the general public as lower cost units over an initial period of 20, 30 or 50 years, and that the mitigation requirements be reassessed after this initial period. This is similar to the approach that the Commission has taken with in-lieu fee mitigation requirements for shoreline protection. Shoreline protection and high cost hotels are similar in that the impacts are ongoing for as long as they exist. To ensure consistency with the Coastal Act, these impacts must continue to be adequately mitigated for as long as the approved project is in existence and causes the impacts. In the case of shoreline protection, the Commission typically calculates the impacts to beach area and sand supply over a 20 year period and requires a fee accordingly, and that mitigation is then required to be reassessed after successive 20-year periods.

For hotel projects, the in-lieu mitigation fee requirement would be different for the initial mitigation as compared to the mitigation collected after the initial period. The intention would be to require mitigation based on the cost to construct new lower cost accommodations and operate them as such over the initial period when the new moderate or high cost accommodations are built. After the initial period, additional in-lieu fees would be needed in order to maintain these lower cost units over an additional period, and would be set based on the cost of such maintenance, rather than on the cost of constructing new units. Most likely, this subsequent fee would be tied to ongoing operational costs associated with the lower cost facilities, including scheduled larger maintenance items (such as the cost to replace cabin units or renovate buildings after their initial design life is complete). Thus, the subsequent fee would be much lower than the initial fee because it would exclude the significant costs associated with initial project development.

Applying this method in the case of impacts to lower cost overnight accommodations is appropriate for several reasons. First, as described above, most projects developed by private and

public entities need a defined project life in order to provide enough certainty to make funding decisions. Using increments for collecting in-lieu fee mitigation would more easily fit within this context, and allow for the funds to be used more readily. Second, although it is highly unlikely that new high cost accommodations will become lower cost over time, it is possible that new high cost accommodations could potentially become moderate cost over time. In these cases, the future mitigation requirement, after the initial period, could be reduced accordingly. This allows projects to provide mitigation for only so long as they have the impact that triggered the need for that mitigation in the first place, rather than requiring the mitigation in perpetuity. Moreover, requiring the funds in increments will allow adequate funding for the lower cost visitor serving mitigation to be maintained for the duration of the impact.

Preliminary Staff Recommendation 4B – Length of Lower Cost Mitigation Requirement

Staff recommends the Commission require in-lieu fee mitigation to be charged for an initial 20 or 30 year period, and then reassessed via a requirement for a permit amendment in the future. The first mitigation fee should be for construction, operation, and maintenance of lower cost units for the duration of the initial period. The second and subsequent mitigation fees should be for maintenance and operation of the lower cost units, including costs to renovate or replace structures, etc., for a future period of time (likely 20 to 30 years, but that figure could be reduced or increased based on future considerations). Future mitigation fees should be assessed based on the cost of the project's future rates. For example, if the project is considered high cost when it is reassessed, then the number of units required to be mitigated should be based on high cost. If the project is considered moderate cost when it is reassessed, then the number of units required to be mitigated should be based on the impact of moderate cost accommodations. And if the project is considered lower cost when it is reassessed, then no additional mitigation would be required.

5) Effectively Use In-Lieu Fees to Maximize Public Access and Recreation through Provision of Lower Cost Overnight Facilities and Access to Such Facilities

As discussed above, previous in-lieu fees have not been adequate to cover the cost of new facilities. In addition to having too little funding for the stated purpose of the fee, it has also been challenging to utilize them because of the difficulty in pooling the fees together, and because of the need for a streamlined process to work with the fee holders.

<u>Pooling Fees</u>

Although opportunities for pooling fees have been limited in the past, the Commission will continue to pursue opportunities whenever they are available. Future fees will be directed either to State Parks or the Coastal Conservancy, with consistent requirements for annual reports on the fee status, and will be used on a regional basis, instead of local or countywide basis. The Conservancy can then partner with other government agencies or non-profit organizations to develop or operate lower cost overnight accommodations. Directing all new funds to these two agencies will allow funds to be pooled more easily in the future.

In addition, Commission staff will work with State Parks and the Coastal Conservancy to develop a statewide list of potential or planned lower cost overnight projects along the coast. This list will then be used to prioritize new fees as they are obtained. Finally, Commission staff will continue to pursue options for pooling existing, unspent in-lieu fees (see Exhibit 1). As can be seen in the

status column of the table in Exhibit 1, staff is pursuing several potential new mitigation projects, and several fees have been identified for pooling.

Coordination with State Parks

Commission staff is actively working with State Parks to develop a Memorandum of Understanding (MOU) between the agencies to streamline use of in-lieu fee funds to develop lower cost overnight accommodations on State Parks property. State Parks is a critical partner in developing and maintaining lower cost overnight accommodations because they own approximately one-third of the land along the California coast. And they share many of the same goals the Commission has regarding providing public access and recreational opportunities for all people.

Over the past several years, State Parks has engaged with the Parks Forward Initiative, which was created to "develop a new vision and long-term plan for a financially sustainable State Park System that meets the needs of California's growing population and changing population."[33] A large part of the Parks Forward Initiative ultimately focused on providing alternative camping, such as cabins and tent cabins, as a way to reach a broader segment of the population, including those who are not interested in or able to camp in tents or RVs. The Parks Forward Initiative found:

> *Overnight stays can help visitors of all ages and backgrounds connect with their parks. Today, overnight visitors can stay at thousands of campsites using tents or recreational vehicles, but for those who don't own such equipment, lodging options – ranging from on-site cabins and yurts to off-site lodges and hotels – are fewer and often more expensive. Increasing the number, variety, and affordability of overnight accommodations, particularly for young people and others who have not yet built personal connections to parks and the outdoors, is a key Parks Forward recommendation.*[34]

Therefore, State Parks, with the Parks Forward Initiative, and the Coastal Commission, with the lower cost overnight accommodations program, are well aligned to partner on providing lower cost overnight accommodations. The MOU that is being developed will provide a framework for this partnership. It envisions five phases of development for each potential project: Project Site Selection; Business Plan Development; Design Development and Permitting; Project Construction; Operations and Maintenance Plan. State Parks and the Commission would coordinate at each project phase to ensure the funds are being used in a manner that meets the goals and objectives of the program. The Commission is also proposing that the MOU incorporate language that ensures the new facilities will be reserved for outreach programs to underserved communities for a certain amount of time each year.

The Commission and State Parks are also pursuing options for streamlining the permit process kfor State Parks projects in the coastal zone. For example, staff has been exploring opportunities for creating a consolidated permit process specific to State Parks. The process would be similar to a consolidated permit process under Section 30601.3 in that the Commission, local government, and State Parks would all have to agree to the consolidated permit process prior to submittal of each application. When the consolidated permit process is agreed to, in those cases, the standard of review would be the Coastal Act, not the LCP, and, because the Commission does not charge

[33] http://parksforward.com/memorandum-of-understanding

[34] http://parksforward.com//site/uploads/PFI%20Recommendations_Final_012915%20(00278207xA1C15)%20(1).pdf

permit fees to other state agencies, State Parks would not have to pay permit fees. Alternatively, State Parks could utilize the Coastal Act's Public Works Plan (PWP) provisions, and achieve similar streamlining and economies. The consolidated permit process or the PWP process could reduce expenses and save time on projects that involve development of lower cost overnight accommodations.

Supporting Existing Lower Cost Hotels

Commission staff has explored opportunities for utilizing in-lieu fees by providing direct grants to, or a revolving loan fund to support, existing lower cost hotels. In theory, this approach could help such facilities defend against the pressure to convert to high cost facilities. This approach, however, presents insurmountable obstacles at the present time

With regard to such a use of in-lieu funds, it is important to keep in in mind that the Commission does not hold any of the funds itself, but instead, partners with other agencies and organizations that can hold and distribute them. For example, the Commission has partnered with the State Coastal Conservancy, which distributes the in-lieu fees either to other public agencies or to non-profit organizations for uses that have a clear public purpose. Although the Coastal Conservancy has explicit statutory authority to award grants to nonprofit organizations with charitable public purposes, consistent with the Conservancy's enabling legislation,[35] it is generally prohibited from granting awards to for-profit entities. Accordingly, it would not be possible, absent a legislative change, for the Conservancy to use in-lieu fees to provide grants or loans to private, lower-cost hotels.

Considering the use of public-private partnerships, such as the ones that might be required to establish a revolving loan fund or to otherwise aid lower cost hotels, can be complicated due to the constitutional prohibition on providing gifts of public money. Article 16, §6 of the California Constitution states that the legislature "shall have no power... to make any gift or to authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever... ." In determining whether an appropriation of public funds is a "gift" within the meaning of this provision, courts have routinely inquired whether the money is to be used for a public or private purpose; where it is to be used for public purposes, its expenditure is not a constitutionally prohibited gift. In many cases, the Commission's in-lieu fees are spent on projects undertaken by government agencies that are part of a broad social program to provide Californians of all income levels access to the coast, thereby avoiding the issue of a 'gift of public funds.'

However, if state funds are used to support a private business enterprise, it must be clear that there is a direct and substantial public purpose served and that any benefit to the private entity is only incidental to the direct public purpose. Although this requirement might not present an insurmountable obstacle, it would make it more difficult to develop a revolving loan fund to aid private, lower cost hotels.

From a practical perspective, the Conservancy also explored the financial feasibility of providing subsidies to reduce room rates for existing private hotels and found that the cost of providing such a subsidy would be prohibitively expensive. The Conservancy calculated the cost to reduce the room rates of economy hotel rooms by $25 as compared to the market rate. Providing such a subsidy on an annual basis would cost $6,843,750 per year for 1,000 rooms assuming 75%

[35] Public Resources Code §§ 31013, 31116.

occupancy (equivalent to about 10 mid-sized hotels statewide), or $34,218,750 per year for 5,000 rooms. The Conservancy also calculated the cost to subsidize the rates by $25 per night for the life of the hotel. They found that it would cost $85,547 per hotel room, or $85,547,000 to subsidize 1,000 rooms, and $427,735,000 to subsidize 5,000 rooms. These amounts far exceed the amount of in-lieu fees available for this purpose. Thus, the costs to subsidize private hotel rooms are prohibitively expensive.

Subsidy programs for private hotels would be challenging to implement, whether the subsidies were designed to reduce room rates, or to support maintenance and renovations of lower cost hotels in order to reduce development pressure to convert lower cost hotels to moderate or high cost hotels. The program administrator would need to develop a mechanism to monitor room rates to ensure the hotel remains lower cost. However, in many cases, room rates are continually adjusted based on a dynamic model. Hotel operators will most likely be reluctant to regulate their own room rates, and the Commission itself is prohibited from setting room rates. In addition, if the business failed, despite the assistance from the program, it would be difficult to ensure that the hotel remains open and available at a lower cost rate.

Moreover, as discussed throughout this report, economy hotel rooms are not lower cost in many locations along the coast, and at many times of the year, and were found to be out of reach for the vast majority of households in California. Reducing the average cost by $25 would not significantly improve access for the majority of visitors. Utilizing in-lieu mitigation fees to support facilities that are inaccessible to most Californians is not an appropriate use of the fees.

However, as described above, the Conservancy is currently exploring the potential for purchasing lower cost hotels that would be leased or operated by a private nonprofit entity to provide rooms to the public at a lower cost rate. This type of model is similar to the model used by State Parks at Asilomar and National Park Service at Yosemite. If such a program were feasible, it would provide an opportunity to provide a hotel product as mitigation, as opposed to just hostel accommodations, campgrounds or cabins. This could enhance the lower cost overnight accommodations mitigation program by reaching people who are not willing or able to stay overnight in a hostel, campground or cabin.

Finally, local governments have tools available to support existing lower cost hotels and reduce the development pressure to replace them. For example, zoning can specify protections for lower cost facilities, a portion of TOT revenue could be set aside to support existing lower cost hotels, or a business improvement district could be established to fund renovations and repairs of lower cost hotels. In addition, local governments may have the ability and legal authority to set up revolving loan programs to support existing lower cost motels. The Commission encourages local governments to explore these opportunities and any other ways to support lower cost overnight accommodations through the LCP planning process.

Partnerships with Outreach Programs

Although the Commission has traditionally used in-lieu fees to fund capital improvement projects that provide lower cost overnight accommodations, another way to mitigate for the loss of lower cost overnight accommodations is to fund programs that provide overnight trips for underserved and disadvantaged communities using existing facilities. Such a program can offset impacts to lower cost accommodations because it provides public access and recreational opportunities for members of the public who might not otherwise be able to access the coast. These programs not only provide the direct benefit of an opportunity to visit the coast, but they also provide numerous

indirect benefits, especially when opportunities are provided to children. These indirect benefits include: familiarity with camping, hiking, kayaking, and other water-oriented recreation;[36] a sense of ownership and responsibility for coastal resources; and the ability to pass on this knowledge to their families, communities, and to future generations. These programs can also utilize campgrounds and other lower cost visitor serving facilities during times when they are underutilized, such as during the week in the off-season.

The Commission has been successful in partnering with outreach programs to provide opportunities to underserved communities to visit and stay overnight at the coast. One such outreach program that facilitates visits and overnight accommodations at the coast is the Commission's Whale Tail license plate program, which encourages the public to contribute funding to coastal and marine education programs in California by purchasing new license plates with a Whale Tail logo. Under the Whale Tail program, grants are provided for coastal and marine outreach and education opportunities. For example, the Whale Tail program funded an overnight outreach opportunity for low-income, minority students in San Mateo County through the Vida Verde Nature Center located in the hills of coastal San Mateo County. Only underserved, urban Bay Area students in grades 4-6 were allowed to attend for a free, three-day, two-night environmental education experience, including guided explorations through coastal beaches and tide pools, Pescadero Marsh, and a nearby redwood grove. Through a highly structured, activity-packed program featuring positive behavior management and many new but achievable challenges, students who are new to this type of environment learn science and environmental stewardship along with confidence and trust-building.

Another outreach program that the Commission has funded in the past is the Fort Ross Conservancy's new Marine Ecology Program at the Fort Ross State Historic Park on the Sonoma Coast, which hosts visitors and many school children who learn about the fort's history and the lives of the fur traders who lived there. Funding supports the cost of offering this program to underserved students in grades four and up from Sonoma and Mendocino counties, including youth from the Kashia Band of Pomo Indians, as well as elsewhere in the San Francisco Bay Area. The Fort Ross Marine Ecology Program lasts 1-2 days, with some students camping overnight close to the ocean.

In addition, the Whale Tail program has historically provided funding for the State Coastal Conservancy's Explore the Coast outreach program, which provides opportunities to underserved communities to visit and stay overnight at the coast through competitive grant-funding opportunities. The Explore the Coast program supports more than 100 projects throughout the state, including providing funding for transportation for school groups and families from inland areas to the ocean and San Francisco Bay who otherwise have few opportunities to visit the coast. Many projects have also provided hands-on environmental education about the ocean, coast, and San Francisco Bay to K-12 students, targeting schools in low-income communities. For example:

- Explore the Coast recently awarded a grant to the aforementioned Commission-sponsored Vida Verde Nature Education program for low-income urban youth to participate in a 3-day, overnight San Mateo County coast environmental education program.

[36] As discussed previously, a 2000 survey of campers in California, which was completed as a cooperative project of the California Roundtable on Recreation, Parks and Tourism and California Tourism found that more than eight out of ten adults who camp had camping experiences as children, suggesting that children's camping experiences have a significant impact on camping activities of adult campers.

- The Point Bonita YMCA of San Francisco was awarded a grant to provide 3-day outdoor education trips to the Marin Headlands for 200-300 low income or underserved students. School groups will participate in research, habitat restoration and monitoring projects along coastal shoreline sites and will contribute their findings to a production of a "Get to the Coast" booklet. This booklet will serve as a tool for participating youth to bring what they have learned back to their communities.
- The San Elijo Lagoon Conservancy also received an Explore the Coast grant that will provide for an ongoing conservation education program that provides school and family weekend trips to the coast for lower-income populations residing inland within the Escondido Creek Watershed. The program includes a stewardship component that encourages students to take action to help protect their watershed. The project will also develop interpretive content along a 3-mile trail for the Explore the Coast web application to enhance the experiences of the thousands of individuals who visit the San Elijo Lagoon Ecological Reserve annually.
- In San Diego County, Explore the Coast will provide funding for the San Diego County Marine Protected Area Youth Education and Stewardship Project, which will directly engage high school students from underserved communities in San Diego County in experiential learning, direct stewardship and marine-based recreation activities in La Jolla's Marine Protected Area and the South San Diego County coastline. The project will inform students about local marine issues; build their appreciation for local coastal and marine resources; contribute to ongoing MPA monitoring and marine-debris science; and help remove ocean-bound trash and plastics from key conservation sites in South San Diego County.

In addition, the Commission has in at least one case utilized in-lieu mitigation fees to establish a program for outreach, as opposed to for capital improvements. In conjunction with CDP 5-14-1785 (Lido House Hotel), the City of Newport Beach proposed a mitigation alternative that would provide outdoor educational programming for students from Title 1 inland area schools, as well as provide overnight accommodations through existing cabins and/or tent camping at the Newport Dunes Back Bay. The proposed program, Fostering interest in Nature (FiiN), would be established by the in-lieu fee provided by the applicant. The program would focus on 5th and 6th grade classes from Title 1 inland schools, and provide a four-day, three-night minimum stay in tents or cabins for the students to engage in coastal-related education. The program would initially serve one classroom-sized group (approximately 30 to 35 children) each week during a twelve-week period per year. The program was designed to serve as many as 360-420 students annually. The educational component would focus on ocean safety, coastal and marine ecology, coastal hazards, and/or other coastal-related topics. The program also includes water-oriented recreational activities such as kayaking, boating, swimming or surfing, etc. The program would run for a minimum of ten years from the date of establishment.

For the FiiN program, a preliminary budget estimate for a four-day and three-night camp experience for approximately 420 students (one group of 35 students per week, for twelve weeks) is approximately $110,000 per year. The cost per child would be approximately $260-$305; however the cost to the child's family and/or school district would be nominal. The City has indicated the program operation could be expanded to accommodate more children and/or more camp sites and/or additional times of the year upon the availability of additional interest, grants, private funding, etc. Future funding sources could contribute to sustaining the program for a longer

duration, and expanding the program to accommodate more children per week or expand the program into other seasons. Such expansion opportunities may be developed as part of the City's certified LCP as a potential use of mitigation funds.

In this example, the Commission found that although the City's proposed FiiN program would not directly establish any new permanent, physical lower cost overnight accommodations available to the general public, it would provide overnight stays for school-aged children from inland areas who may not otherwise have opportunities for coastal access and overnight stays. The mitigation would provide an alternative use for the in-lieu mitigation fees required by the Commission to offset the lack of lower cost overnight accommodations in the proposed development.

Spending in-lieu fees on outreach programs enhances public access and recreational opportunities and mitigates for the loss of lower cost overnight accommodations by providing opportunities to stay overnight at the coast for people who would otherwise be unable or unlikely to do so.

Preliminary Staff Recommendation 5 – Using In-Lieu Fees

Staff recommends that the Commission explore additional opportunities for working with or funding outreach programs, including through our partnership with the Coastal Conservancy, to provide for lower cost overnight accommodations. Further, when in-lieu fees cannot be spent on a capital project within five to ten years of those funds becoming available, funds should be spent on outreach programs designed to provide coastal visits for underserved communities. Finally, the Commission should investigate whether existing unspent funds could be used for outreach programs, consistent with the intent of the underlying permit.

In addition, staff recommends pooling fees whenever possible, directing new fees to the Coastal Conservancy and State Parks, and working with local governments on LCP policies that would protect and support existing lower cost overnight accommodations that are threatened by development pressure.

6) Short Term Vacation Rentals[37]

Short term vacation rentals can provide overnight accommodations for visitors to the coast, and can often be a more affordable option for many travelers, including groups and families. They have been in use in coastal areas for many decades. Most recently, the use of online booking sites has expanded the use of short term rentals as an alternative to commercial lodging for any travel purpose.[38] Short term rentals now include options from sharing rooms in an occupied house to renting a whole apartment or house for an unspecified time from one night to a month or more. These rentals are located throughout entire communities, including residential neighborhoods and rural areas rather than in predominantly tourist or commercial areas. In many cities and counties these short term rentals are unregulated and have resulted in significant adverse impacts to the character of residential neighborhoods/communities and in some cases have eliminated valuable affordable housing in some coastal cities. In response, many local coastal governments have or are considering ordinances to prohibit or to regulate such short term rentals.

[37] Includes excerpts from Draft White Paper regarding Short Term Rentals under preparation by Elizabeth Fuchs, AICP, Manager, Statewide Planning Unit.

[38] American Planning Association, *Planning*, February 2016, pp.29-33

The Commission has taken the position that such ordinances are not in effect in the coastal zone unless approved by the Coastal Commission through a coastal development permit and/or through certification of a Local Coastal Program (LCP) Amendment. The Commission has acted on many local proposals to regulate short term rentals. The Commission has generally not supported outright bans of such short term vacation rentals and has in some cases denied such proposals when proposed (e.g., City of Pismo Beach No. LCP PSB-1-10 Part 2 (Vacation Rentals)). In addition, the Commission has supported a variety of mechanisms to regulate the location and operation of such rentals in a manner consistent with the policies of Chapter 3 of the Coastal Act (e.g., in Santa Cruz and San Luis Obispo Counties).

The Commission in prior LCPA reviews has often found that short term vacation rentals, even in residential areas, can provide an important visitor serving asset. They can increase public access to the coast, opening up a trip to the coast for many families that might not be otherwise able to afford more expensive hotel options. In addition, they can provide local jurisdictions with increased revenues. In some cases, the Commission has found that prohibition of such short term vacation rentals will restrict lodging opportunities for coastal visitors and cause impacts by discouraging public access to beaches and shoreline areas.

While such vacation rentals may have existed for decades, their numeric and geographic expansion has increased the impacts to some residential neighborhoods. Depending on the location and management, the Commission has recognized that short term vacation rentals can result in adverse impacts, including:

- impacts from increased intensity of use on public access and infrastructure capacity
- altering community character by introducing lodging into residential neighborhoods
- impacts related to management issues such as numbers of occupants and overcrowding, noise, trash and special events
- loss of affordable housing
- parking and transportation congestion impacts
- available capacity of water and other services
- enforcement issues

Thus, while recognizing their value to coastal visitors, the Commission has sought to also address these types of adverse impacts associated with unregulated short term rentals through reasonable and balanced regulations.

<u>Strategies/Potential Regulatory Solutions</u>
In its actions, the Commission has endorsed and approved ordinance provisions that regulate the manner in which short term vacation rentals are implemented, including those that:

Restrict Geographic Applicability

- overall caps on the numbers of vacation rentals within residential areas, blocks or zones

Require Quantitative Restrictions

- limits to maximum occupancy
- caps on the total number of short-term rental permits that may be issued, or limiting the number based on a ratio between short-term rentals and long-term residential dwelling units
- limits to the number of times a property may be rented for short-term occupancy during a given time period

Ensure Protection of Resources

- demonstration of adequate public service capacities, such as restrictions on water use to avoid overtaxing septic system capacity
- requirements to shield natural resource areas from overuse

Regulate Management and Operations

- compliance with required off-street parking standards and vehicle limits
- licensing requirements and/or permit and registration processes
- demonstration of TOT payments
- vacation rental signage requirements, including posting of the operational restrictions, contact information and incorporation of operational restrictions into rental agreements
- requirements for onsite management or contacts
- litter and noise controls including limiting noise levels associated with short-term rental properties, during specified hours

Ensure Enforcement

- provisions for a dispute resolution process
- enforcement protocols, including how to respond to complaints and how to enforce violations of short-term rental requirements, including revocation of permits.

Preliminary Staff Recommendation 6 – Short Term Vacation Rentals

Staff recommends that the Commission continue to support provision of short term vacation rentals in the coastal zone. The Commission should continue to discourage bans and other broad prohibitions on vacation rentals, and it should continue to support local governments in developing reasonable and balanced regulations through LCP updates and/or new LCPs that address neighborhood and affordable housing issues while allowing for regulated short term vacation rentals in residential and other zoning districts.

IN-LIEU FEES FOR LOWER COST OVERNIGHT ACCOMMODATIONS

IN-LIEU FEES SPENT		**Recipient**	**Project Funded**
5-05-385 (Seal Beach Six)	$87,810	State Parks	Group campsite at Doheny State Beach in Dana Point
5-99-169 (Maguire); 5-89-941 (Maguire), 5-89-240 (Michael); 5-88-062 (CWD Taiyo)	$823,700	City of Santa Monica	60-bed expansion of the Santa Monica Hostel
5-87-980 (Laguna Niguel Partners); 5-82-291 (AVCO); 5-86-503 (Stein Brief Group)	$2,946,125	State Parks	Restoration of Crystal Cove Cottages
5-87-675 (Ritz Carlton, Marina del Rey)	$452,848	LA County Beaches & Harbors	Replace boat docks in Burton Chase Park in Marina del Rey
4-85-343 (Bacara Resort and Spa)	$100,000	Rodney J. Shull Foundation	Wayfarer Hostel in Santa Barbara
5-83-560 (City Equities Corp.); A-49-79 (Interstate Marina); A-207-79 (Marina Plaza)	$1,230,000	-	200-bed Santa Monica Hostel
2-83-026 (Duncan Mills)	$132,300	State Parks Foundation	32 campsites and day-use facilities at Sonoma Coast State Park
6-81-330-A1 (Southern California Edison, San Onofre)	$4,654,088	State Parks	161 campsites and day-use facilities at San Mateo State Park
4-81-205 (Park Plaza Corp)	-	Rodney J. Shull Foundation	Wayfarer Hostel in Santa Barbara
A-92-81 (San Clemente Inn)	-	American Youth Hostels	San Clemente Hostel (operated for approximately 20 years, now closed)
TOTAL FEES SPENT	**$10,426,871**		

AVAILABLE IN-LIEU FEES		**Organization Holding Funds**	**Targeted Project**
6-13-0407 (McMillin-NTC, LLC/Liberty East Station Hotel)	$930,000	State Coastal Conservancy	Potential opportunity to pool fee with Hotel Del fee
LCP-4-MAL-14-0408-1 (Malibu Coast Estate/Crummer Trust)	$4,000,000	MRCA	Tent cabins at Puerco Canyon
A-6-COR-08-098&099 (Hotel Del Coronado)	$1,080,000	State Coastal Conservancy	County campground in the Tijuana River Valley. Potential to pool fee with Liberty East
5-07-085-A1 (New Home Company Southern California, LLC)	$3,774,572	Crystal Cove Alliance	Additional cottage restoration at Crystal Cove State Park
3-07-048 (Smith-Held Mixed Use) and 3-07-002 (Scott)	$52,791	City of Morro Bay	None targeted at this time
A-4-VNT-07-009 (Crown Pointe Estates)	$502,335	State Parks	Potential project at Topanga Canyon
A-3-PSB-06-001 (Beachwalk)	$97,020	City of Pismo Beach	None targeted at this time
A-5-RPV-02-324 (Destination Development), 5-89-941 (Maguire), 5-89-240 (Michael)	$1,656,240	Hostelling International	Hostel in Santa Monica or the urban coastal area of Los Angeles County
A-3-MCO-98-083 (Highlands Inn)	$808,594	State Coastal Conservancy	Cabins in Big Sur or Piedras Blancas
5-83-542 (Westport Beach Club)	$380,500	LA County Beaches and Harbors	Expansion of RV Park at Dockweiler State Beach.
3-91-071 (Half Moon Bay Properties)	$433,835	State Parks	Campground at Montara State Beach or Pigeon Point Hostel Expansion
TOTAL FEES AVAILABLE	**$13,715,887**		

Maurice Robinson & Associates LLC
28 Dover Place
Manhattan Beach, CA 90266

Memorandum

Date: March 15, 2016

To: Mr. Matthew Armsby

RE: Low-Cost Rate Determination for Overnight Accommodations in the California Coastal Zone

I. Introduction

Maurice Robinson & Associates LLC was engaged by the Resources Legacy Fund ("RLF") to develop an empirically-based method that the California Coastal Commission can consider applying to estimate the community-specific, "Low Cost" rate ("LC Rate") for overnight accommodations within California's Coastal Zone ("Coastal Zone"). The Commission requires a method in order to evaluate potential impacts to lower-cost overnight accommodations and the feasibility of providing new low-cost accommodations within the coastal zone. In addition, the accuracy of the Commission's mitigation requirements is critical, since new development may result in either: a) impacts to existing low-cost accommodations, or b) an increase in the inventory of higher-cost accommodations, which represents a lost opportunity to provide low-cost accommodations within the Coastal Zone.

The effort is motivated by a concern that prevailing development/redevelopment trends within the Coastal Zone increasingly skew the region's supply of overnight accommodations towards higher-priced, less-affordable options. The problem is particularly acute in the urbanized regions of the State's coast, specifically, the San Francisco Bay Area, the Monterey Bay Area, the Santa Barbara area, and the Los Angeles Basin, extending down to San Diego. A number of factors, most notably the continued upward escalation of both property values and development costs, in combination with a pre-existing constrained supply of overnight accommodations--primarily lower cost motel/hotel accommodations—have encouraged real estate development and redevelopment activities that have reduced the supply of low-cost accommodations substantially. As a consequence, lower income groups are disproportionately excluded from access to lodging in California's coastal areas. This trend is occurring despite the State's Coastal Act, which mandates maximum access and recreational opportunities to be provided for all people, and requires lower cost visitor-serving facilities to be protected, encouraged, and, where feasible, provided.

With the above as context, our effort began with a general definition of low-cost accommodations: accommodations deemed "affordable", which itself by definition means inexpensive or reasonably priced.

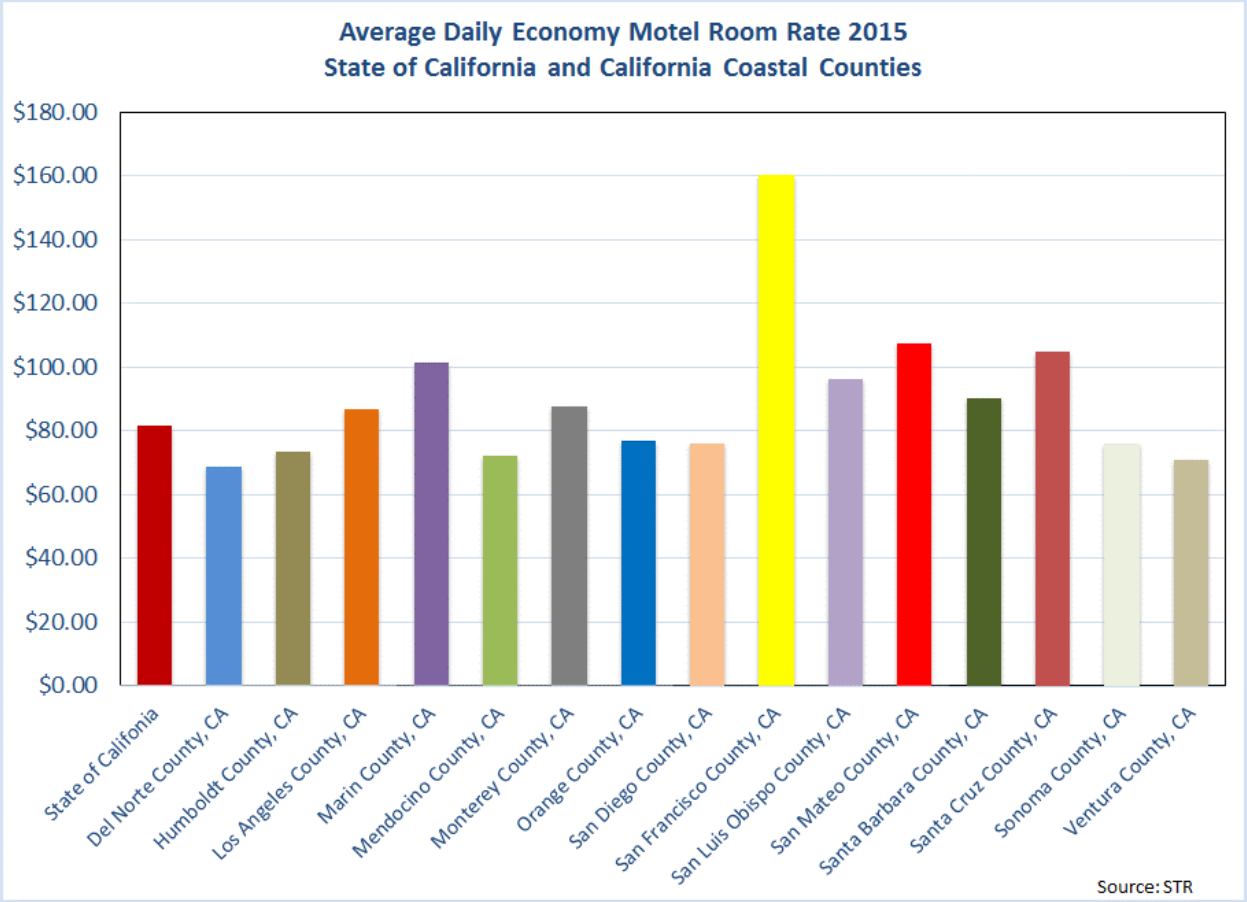
The discussion and results of this project are offered as technical assistance, specifically to demonstrate a consistent and reproducible method for using readily available price data to inform the Coastal Commission's decisions. It is not intended as a policy recommendation. In the course of making policy and permit decisions that could affect the availability of lower-cost accommodations along the California coast, the Commission may need to take into account additional factors such as market supply, demand

(including demand that is unmet by market supply), and other trends. Policy considerations, such as measures necessary to implement Coastal Act requirements to maximize public access, and protect lower-cost visitor and recreational facilities, are not readily addressed solely through the use of current market prices. Therefore, additional measures to ensure affordability may need to be considered in order to achieve statutory objectives.

II. Mitigation Framework

We recommend that the Commission's determination of the LC Rates for individual Coastal Zone communities be based directly on the rates charged for economy motel rooms within those communities; with the definition of "economy motel" in a particular market tied directly to the definition stipulated by STR, an industry-standard source for lodging market performance data. (STR defines the economy lodging class as those motels charging the lowest 15% of rates within a given market). The rationale underlying this recommendation includes the fact that: A) the economy category, which is the lowest rate category of the lodging sector, is reasonably presumed to be low-cost; B) the greatest amount of financial and utilization data and statistics are readily available for motels/hotels as compared to other accommodation types such as hostels or campgrounds, for which occupancy data in particular may be hard to find; C) motels/hotels are the most flexible and desired type of accommodations for all types of visitor groups--whether families, individuals, students, etc.--as compared to other types of accommodations, which tend to have more narrowly-defined user groups; D) in general, motels/hotels tend to be higher cost to develop per unit of accommodation than other accommodation types, thus providing the Commission a basis for mitigation fees that more accurately reflects the cost of providing the mitigation projects; and E) the existing supply of economy motels/hotels are the accommodation category most adversely impacted by Coastal Zone real estate development activities.

The importance of evaluating the LC Rate on a community-specific basis is that there is significant inter-community variability in those rates due to differences in cost-of-living, and the local supply of short-term accommodation. This is illustrated in Table 1 below which compares the average economy motel room rate for the year 2015, as reported by STR, for each of California's fifteen coastal counties.



In developing the methodology for determining the LC Rate for individual Coastal Zone markets/communities based on the average rates for economy motels, we carefully weighed considerations of analytical simplicity, data availability and accuracy of estimates, concluding that the best approach is one that combines data readily available from STR on the average room rates actually realized by economy class motels, with data on the published rates ("Rack Rates") for those accommodations. (For any specific period, a motel's actual realized Average Daily Rate ("ADR") is typically lower than its Rack Rates, due to various discounts applied to those Rack Rates.)

STR provides hotel room rate and occupancy data for a fee (about $500 per data set per community). While its database is quite comprehensive, its inventory of the hotels operating within any given market is typically incomplete. Additionally, for those hotels included in its inventory, STR does not always have financial data, as hotel properties provide their performance data to STR voluntarily, and not all properties participate. Accordingly, the average room rates for a specific segment of the hotel market--economy or otherwise--within a community, as reported by STR, do not account for all of the properties in that market. The deficiency in the data is most notable for the economy class, because the segment includes more small, unbranded motels than the other higher-tier segments that: A) may fall below STR's inventory radar; and B) may not have the interest or resources to report their performance information to STR, even for those that are captured in STR's inventory. Nonetheless, STR's database in most cases is complete enough to be able to obtain average room rate estimates for the economy class of motels within

a reasonable distance from the targeted location. These rates are reasonably representative of market rates to be used as a starting point to derive estimates of the LC Rate within a community. We recommend the following steps:

1. Obtain an inventory of economy motels from STR for the relevant community and identify the motels in that inventory that report to STR (i.e., request STR's free "Participation List").
2. Purchase from STR the most recent 12-month period average daily rate ("ADR") data for the reporting economy-class motels selected for the analysis ("STR Run") within the subject community/market. (The geographic area of coverage may need to be expanded as necessary to identify enough reporting motels for the STR Run, as STR has certain requirements on the minimum number of motels and mix of brands for any specific data request.)
3. Perform research through online travel agency (OTA) websites such as Expedia, Trivago, etc. to identify economy motel products in the subject market that are not included in STR's inventory.
4. Use the OTA web sites to research the base room rates (published room rates are called "Rack Rates") being charged for one-night, single-occupancy, standard lodging at the economy motels, some of which are included in the STR Run; some of which are included in the STR inventory but do not report performance data to STR; and some that are not included in the STR inventory, for three different dates in the coming twelve-month period ("Current Year Rack Rates"). For our two case studies, we selected the second Sunday in March (representative of low-season rates); the second Wednesday in May (shoulder-season rates); and the second Friday in July (peak-season rates), and applied the methodology discussed below.[1]
5. For each economy motel identified, calculate the average of their three Current Year Rack Rates obtained under step 4.
6. Calculate the weighted average of the Current Year Rack Rate averages from step 4 for only the motels included in the STR Run. (The weightings are based on the number of rooms provided by each motel. The weighted average calculation starts with the estimated total room revenues achieved by the sample based on their average Current Year Rack Rates, which, when divided by the total number of occupied rooms, gives the average Current Year Rack Rate for the whole group, based on rooms, not based on the number of properties.)
7. Divide the ADR from the STR Run by the weighted average Rack Rate for the same motels included in the STR Run as estimated in Step 6. This ratio, referred to as "ADR Factor", represents an estimate of the relationship for the STR Run motels between Prior Year ADR and the Current Year Rack Rates.
8. Multiply the average Current Year Rack Rates from step 4 for all the economy motels by the ADR Factor to estimate each property's Prior Year ADR.
9. Multiply each property's estimated Prior Year ADR derived under step 8 by the then most recent projection of hotel room rate inflation between the prior and current years as published by STR to translate the Prior Year ADR estimates into ADR estimates for the prospective 12-month period ("Current Year ADR")

[1] Since Sunday is generally the lowest rate day of the week, it was selected as the day of the week for the low season; since Friday is one of the two highest days of the week (along with Saturday), it was selected as the day for the peak season; Wednesday was selected as the day for the shoulder season.

10. Estimate the median, mean and/or different percentiles as desired of the ADR estimates from step 9 as alternative assumptions on the subject market's LC Rate in the current year.

III. Case Studies

The following discussion summarizes the application of the above methodology to two separate Coastal Zone communities: Pismo Beach and Santa Monica. Each is discussed below.

A. Pismo Beach

Table 1 summarizes the list of economy-class motels that report to STR that is included in the assessment of the average reported economy motel room rate in the greater Pismo Beach area.

Table 1

STR Reporting Properties (to derive ADR factor)

Name	# Rooms	City	Rack Rates 13-Mar	Rack Rates 11-May	Rack Rates 8-Jul	Average Rack Rate
Motel 6 Pismo Beach	136	Pismo Beach	$ 51.00	$ 64.00	$ 140.00	$ 85.00
Quality Inn Pismo Beach	100	Pismo Beach	$ 85.00	$ 99.00	$ 249.00	$ 144.33
Econo Lodge Morro Bay	18	Morro Bay	$ 125.00	$ 110.00	$ 275.00	$ 170.00
Days Inn Morro Bay	46	Morro Bay	$ 69.00	$ 89.00	$ 350.00	$ 169.33
Days Inn San Simeon	48	San Simeon	$ 75.00	$ 100.00	$ 185.00	$ 120.00
	348					$ 122.42
					STR 2015 Reported ADR:	$ 90.17
					ADR factor:	**74%**

Note: Used Best Available Rate, one adult, one night, no pre-payment discount, no premiums or other discounts.

Rack Rates Source: trivago, tripadvisor, Kayak.com, hotels.com, individual sites

The table shows that for the five economy class motels within the area that report to STR, their actual achieved ADRs for the calendar year 2015, as reported by the properties to STR, represent 74% of their weighted average Rack Rates for 2016.

Table 2 shows the application of the 74% ADR Factor to the average 2016 Rack Rates for all of the economy motels in the area that were identified by OTA research (including those in the STR inventory that don't report their performance to STR, as well as those excluded from the STR inventory, but listed in the OTAs).

Table 2

Inventory of Low-Cost Lodging in Pismo/Grover Beach Area

Name	# Rooms	City	Rack Rates 13-Mar	11-May	8-Jul	Average Rack Rate	Estimated ADR
Pacific Inn	21	Grover Beach	$ 59.00	$ 59.00	$ 59.00	$ 59.00	$ 43.46
Motel 6 Pismo Beach	136	Pismo Beach	$ 51.00	$ 64.00	$ 140.00	$ 85.00	$ 62.61
Sea Garden Motel	22	Pismo Beach	$ 60.00	$ 59.00	$ 190.00	$ 103.00	$ 75.87
American Inn	24	Grover Beach	$ 60.00	$ 80.00	$ 175.00	$ 105.00	$ 77.34
Ocean Breeze Inn	34	Pismo Beach	$ 81.00	$ 130.00	$ 130.00	$ 113.67	$ 83.72
Dolphin Cove Motel	21	Pismo Beach	$ 112.00	$ 112.00	$ 119.00	$ 114.33	$ 84.21
Oceano Inn	18	Oceano	$ 69.00	$ 95.00	$ 192.00	$ 118.67	$ 87.40
Days Inn San Simeon	48	San Simeon	$ 75.00	$ 100.00	$ 185.00	$ 120.00	$ 88.39
The Palomar Inn	14	Pismo Beach	$ 70.00	$ 100.00	$ 190.00	$ 120.00	$ 88.39
Pismo Beach Hotel	31	Pismo Beach	$ 129.00	$ 129.00	$ 129.00	$ 129.00	$ 95.02
Pismo Beachwalker Inn	19	Pismo Beach	$ 70.00	$ 120.00	$ 200.00	$ 130.00	$ 95.75
Blue Seal Inn	26	Pismo Beach	$ 68.00	$ 139.00	$ 199.00	$ 135.33	$ 99.68
Quality Inn Pismo Beach	100	Pismo Beach	$ 85.00	$ 99.00	$ 249.00	$ 144.33	$ 106.31
Days Inn Morro Bay	46	Morro Bay	$ 69.00	$ 89.00	$ 350.00	$ 169.33	$ 124.72
Econo Lodge Morro Bay	18	Morro Bay	$ 125.00	$ 110.00	$ 275.00	$ 170.00	$ 125.21
	578					$ 118.85	$ 87.54
					ADR factor:	74%	
					Indicated Average Rate	**$ 87.54**	

Note: Used Best Available Rate, one adult, one night, no pre-payment discount, no premiums or other discounts.

Rack Rates Source: trivago, tripadvisor, Kayak.com, hotels.com, individual sites

The table indicates that the estimated average economy motel rate for the Pismo Beach market in 2015 was $87.54, which when adjusted to 2016 terms based on STR's recent projection that lodging room rates in the U.S. will increase by 4.4% in 2016, translates to an estimated Current Year ADR of $91.39 ($87.54 increased by 4.4%). This is one estimate of the LC Rate threshold. A second potential LC Rate threshold would be the median of the estimated ADRs, which for 2015 is $88.39, or $92.28 when translated to 2016 terms ($88.39 increased by 4.4%). A third potential threshold for the LC Rate would be the 90th percentile of the estimated ADRs in the table, which for 2015 is $117.36, or $122.52 in 2016 terms ($117.36 increased by 4.4%).

Table 3 summarizes the list of economy class motels that report to STR included in the assessment of the average reported economy motel room rate for the Santa Monica area. It is important to note that due to a lack of STR reporting for economy motels within the portion of Santa Monica located within the Coastal Zone (west of Lincoln Avenue), it was necessary to expand the geographic area for the STR Run to that part of Santa Monica outside of the Coastal Zone (east of Lincoln Avenue) and into Long Beach (another city in Los Angeles County that is within the Coastal Zone).

Table 3

STR Reporting Properties (to derive ADR factor)

Name	# Rooms	City	Rack Rates 13-Mar	Rack Rates 11-May	Rack Rates 8-Jul	Average
Days Inn Santa Monica	68	Santa Monica	$ 149.00	$ 159.00	$ 199.00	$ 169.00
Travelodge Santa Monica	82	Santa Monica	$ 169.00	$ 175.00	$ 229.00	$ 191.00
Econo Lodge Long Beach	23	Long Beach	$ 84.00	$ 84.00	$ 94.00	$ 87.33
Rodeway Inn Long Beach	35	Long Beach	$ 119.00	$ 129.00	$ 174.00	$ 140.67
Motel 6 Long Beach	50	Long Beach	$ 66.00	$ 66.00	$ 76.00	$ 69.33
	258					**$ 145.55**
					STR 2015 ADR:	**$ 125.14**
					ADR factor:	86%

Note: Used Best Available Rate, one adult, one night, no pre-payment discount, no premiums or other discounts.

Rack Rates Source: trivago, tripadvisor, Kayak.com, hotels.com, individual sites

The table shows that for the five economy-class motels included in the STR Run, their actual achieved ADRs for the calendar year 2015, as reported by the properties to STR, represent 86% of their weighted average Rack Rates for 2016.

Table 4 shows the application of the 86% ADR Factor to the average 2016 Rack Rates for all of the economy motels in Santa Monica within the Coastal Zone – i.e., west of Lincoln Avenue--including those in the STR inventory that don't report their performance to STR, as well as those excluded from the STR inventory, but listed in the OTAs.

Table 4

Name	# Rooms	City	Rack Rates 13-Mar	Rack Rates 11-May	Rack Rates 8-Jul	Average Rack Rate	Adjusted
Bayside Hotel	45	Santa Monica	$ 160.65	$ 194.65	$ 288.00	$ 214.43	$ 184.36
Ocean Park Inn	28	Santa Monica	$ 105.00	$ 115.00	$ 140.00	$ 120.00	$ 103.17
Santa Monica Motel	32	Santa Monica	$ 119.00	$ 119.00	$ 189.00	$ 142.33	$ 122.37
Ocean Park Hotel	44	Santa Monica	$ 71.00	$ 71.00	$ 79.00	$ 73.67	$ 63.34
Palm Motel	26	Santa Monica	$ 90.00	$ 90.00	$ 90.00	$ 90.00	$ 77.38
Rest Haven Motel	14	Santa Monica	$ 115.00	$ 115.00	$ 115.00	$ 115.00	$ 98.87
Carmel	97	Santa Monica	$ 171.00	$ 171.00	$ 192.00	$ 178.00	$ 153.04
	286					**$ 146.93**	**$ 126.32**
					ADR factor:	86%	
					Indicated Average Rate	**$ 126.32**	

Note: Used Best Available Rate, one adult, one night, no pre-payment discount, no premiums or other discounts.

Rack Rates Source: trivago, tripadvisor, Kayak.com, hotels.com, individual sites

The table indicates that the estimated average economy motel rate for the Santa Monica market in 2015 was $126.32, or $131.88 when translated to 2016 terms ($126.32 increased by 4.4%). This is one estimate of the LC Rate threshold. A second potential LC Rate threshold would be the median of the estimated ADRs, which for 2015 is $103.17, or $107.71 in 2016 terms ($103.17 increased by 4.4%). A third potential threshold for the LC Rate would be the 90th percentile of the estimated ADRs in the table, which for 2015 is $165.57, or $172.86 in 2016 terms ($165.57 increased by 4.4%).

IV. Simplifying the Approach and Potential Alternative Methods

A. Use of Average Room Rates as the LC Rate

To apply the above methodology requires research, specifically the collection of OTA Rack Rate data. One alternative is to simply take the average ADR provided by STR for the economy motel segment within the target market, and assume it represents the LC Rate without adjustment. Interestingly, adoption of this approach has some merit if based solely on the conclusions of the two case studies. Specifically, the estimated average Rack Rate-based room rate for all the economy hotels identified in the Pismo Beach and Santa Monica markets is about equal to the estimated average Rack Rate-based room rate for only the economy motels included in the STR Runs for those markets (Pismo Beach = $122.42 average Rack Rate for just STR Run motels, compared to $118.85 average Rack Rate for all economy motels; Santa Monica = $145.55 Rack Rate for just STR Run motels, compared to $146.93 average Rack Rate for all economy motels).

Therefore, the application of the methodology set forth above using Rack Rate data results in an ADR estimate for both communities' economy segment in 2015 that is about equal to the ADR reported for the economy motels included in the STR Runs for each community in 2015 (Pismo Beach = $90.17 for STR's ADR estimate, compared to $87.54 ADR estimate using Rack Rate data; Santa Monica = $125.14 for STR's ADR estimate, compared to $126.32 ADR estimate using Rack Rate Data). However, if a metric other than the average rate across all economy motels in a market is to be used (i.e., median rate, 90^{th} percentile rate, etc.), then this simplified approach cannot be applied.

B. Cost-of-living index

As part of our study, we considered an alternative approach, which moves completely away from the use of local STR and Rack Rate data. One approach that risks being fairly inaccurate, but is extremely simple in its application, is based on the relative community cost-of-living, as reported by Sterling's Best Places. As an example, the ADR for economy motels statewide is currently reported as $81.41, and the cost-of-living index (CoLI) for the State is 150.6 (with the U.S. average being set at 100).

Looking at our case studies, the cost-of-living index for Pismo Beach is 192.3, which is 27.7% higher than the State average (Pismo's CoLI of 192.3 / State's CoLI of 150.6 = 127.7). Accordingly, applying this 127.7 factor to California's Statewide average economy ADR of $81.41 for 2015, provides a derived rate of $103.95 for the 2015 economy ADR in Pismo Beach (State's ADR of $81.41 X 127.7 = Pismo's 2015 ADR of $103.95). This derived rate of $103.95 is about 15% higher than the $90.17 ADR for the STR-reporting Pismo Beach area economy motels in 2015.

The cost-of-living index for Santa Monica is 294.6, which is 95.6% higher than the State average (Santa Monica's CoLI of 294.6 / State's CoLI of 150.6 = 195.6). Applying this 195.6 factor to California's Statewide average economy ADR of $81.41 for 2015, provides a derived rate of $159.25 for the 2015 economy ADR in Santa Monica (State's ADR of $81.41 X 195.6 = Santa Monica's ADR of $159.25). This derived rate of $159.25 is about 27.3% higher than the $125.14 ADR for the STR-reporting Santa Monica area economy motels in 2015.

Thus, using the cost-of-living index methodology does not appear to align very well with the ADR/ Rack Rate methodology, at least in these two case studies. We also looked at the relationship between ADRs and Median Household Income and found similar non-correlated results. We therefore suggest the adoption of the ADRs and Rack Rates methodology to set the LC Rate threshold, as opposed to these non-lodging-based metrics.

V. Pros and Cons of the Methodologies

The Pros and Cons for the various methodologies that we investigated are as follows:

- For the STR ADR/OTA Rack Rates method:
  - Pros: It relates to lodging room rentals, and it seems to be the most accurate.
  - Cons: It requires some research of OTA web sites, and purchase of about $500 of STR data.
- For the STR ADR/OTA Rack Rate method – adoption of 90th percentile of estimated ADRs as opposed to the straight median
  - Pros: Could result in greater mitigation requirements placed on developers, and reflects closer to what might be considered the maximum supportable LC Rate for a subject market.
  - Cons: Could result in providing overnight accommodations that are relatively less affordable and, therefore, are less likely to fully meet the objectives of providing maximum access to the Coastal Zone.
- For the cost-of-living and Median Household Income indices:
  - Pros: It does not require the purchase of data, as the indices are free.
  - Cons: It is less accurate, as the correlation between a community's cost of living and its economy lodging stock can be quite divergent.

VI. Sources of Data

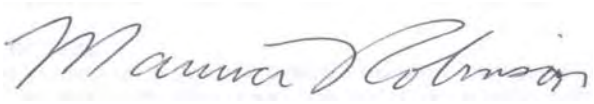
The following list presents the data sources that we investigated as part of our research:

- Smith Travel Research (STR) for privately-owned hotels and motels;
- Smith Travel Research (STR) for projections of lodging room rate projections for 2016;
- Hostelling International for hostel beds;
- Woodall for campgrounds and cabins;
- AAA for campgrounds, cabins, cottages and Bed-&-Breakfasts;
- OTA web sites such as Expedia, Hotels.com, Trivago, Kayak, Priceline, TripAdvisor and Yelp;
- State and National park reservation web sites for in-park lodging;
- Sterling's Best Places for cost-of-living indices
- U.S. Bureau of Labor Statistics for historical Consumer Price Index data; and
- U.S. Census Bureau for Median Household Incomes.

This concludes our analysis of potential methodologies and data sources to assist the Commission in their efforts to determine the Low-Cost Rate thresholds in Coastal Zone communities. We would be happy to continue to assist the Commission in their efforts to mitigate the loss of Low-Cost Overnight

Accommodations in these communities. Please do not hesitate to contact us at 310-640-9656 or Maurice@MauriceRobinson.com if you have any questions or concerns.

Best,



R. Maurice Robinson, ISHC, CRE, ASA

Average Daily Occupancy Rates at Selected Coastal State Parks Campgrounds in the Month of August, 2010 through 2014					
	2010	2011	2012	2013	2014
PRAIRIE CREEK REDWOODS	84%	83%	88%	90%	90%
HALF MOON BAY SB	95%	92%	93%	95%	93%
JULIA PFEIFFER BURNS	94%	97%	92%	94%	95%
CARPINTERIA	90%	89%	87%	89%	91%
BOLSA CHICA	96%	95%	95%	95%	96%
SOUTH CARLSBAD	97%	96%	97%	97%	97%

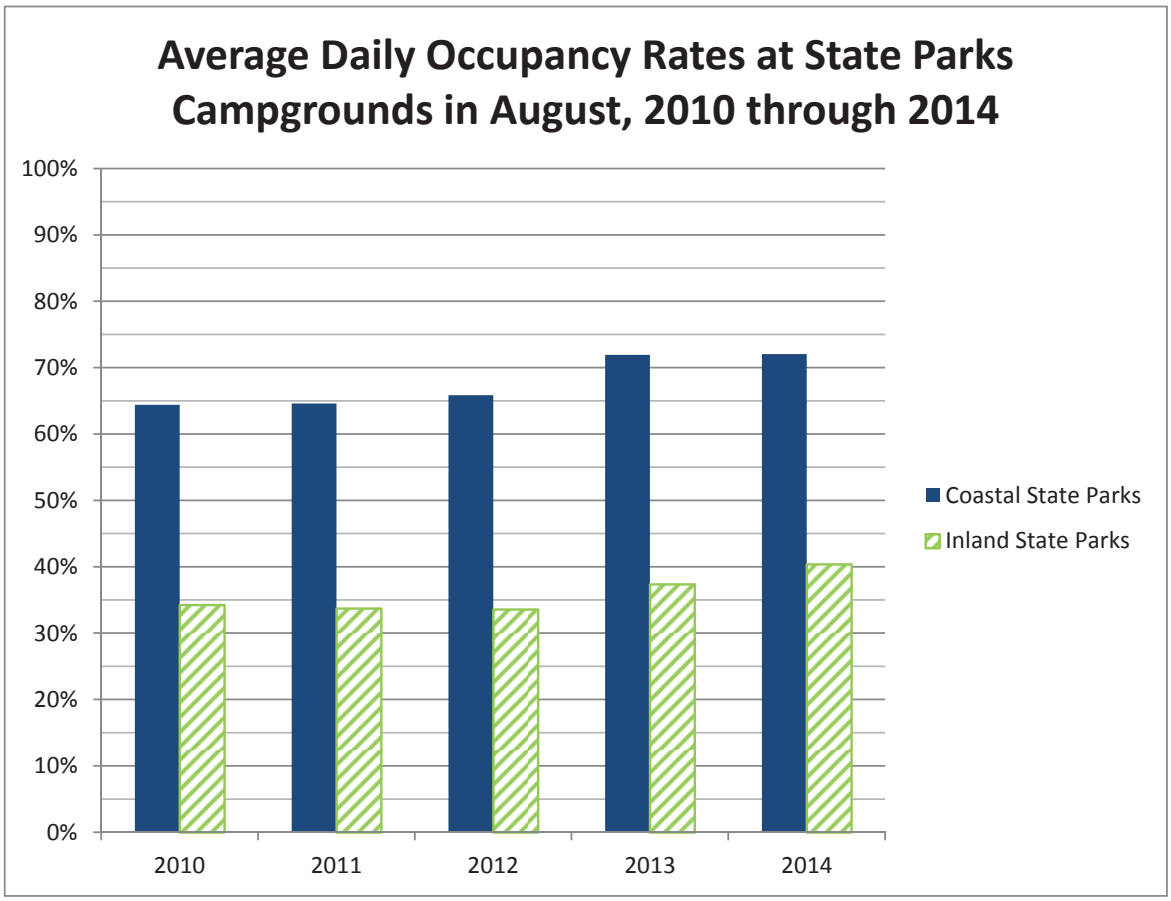


Exhibit 3
Lower Cost Workshop
November 3, 2016

Occupancy Information for Hostelling International USA's Coastal California Hostels					
Location				**Typical Occupancy**	
		2014	**2015**	**Annual**	**High Season**
Point Reyes	Overnights	10,920	11,357	54%	65%
	FIT/Group Ratio	85/15	77/23		
	Average Daily Rate	$27.00	$29.68		
	Domestic/International Ratio	91/9	92/8		
Marin Headlands	Overnights	20,188	21,107	53%	66%
	FIT/Group Ratio	68/32	62/39		
	Average Daily Rate	$31.80	$32.93		
	Domestic/International Ratio	44/56	43/57		
Fort Mason	Overnights	53,093	54,605	85%	93%
	FIT/Group Ratio	83/17	80/20		
	Average Daily Rate	$35.99	$38.73		
	Domestic/International Ratio	10/90	12/88		
Montara	Overnights	10,951	11,094	60%	74%
	FIT/Group Ratio	79/21	69/31		
	Average Daily Rate	$30.43	$32.10		
	Domestic/International Ratio	67/33	60/40		
Pigeon Point	Overnights	13,920	14,090	65%	97%
	FIT/Group Ratio	76/24	63/37		
	Average Daily Rate	$27.43	$28.49		
	Domestic/International Ratio	90/10	67/33		
Santa Cruz	Overnights	10,968	11,055	67%	77%
	FIT/Group Ratio	N/A	N/A		
	Average Daily Rate	$24.86	$25.45		
	Domestic/International Ratio	46/54	62/38		
Monterey	Overnights	10,766	10,728	75%	83%
	FIT/Group Ratio	94/6	90/10		
	Average Daily Rate	$28.10	$32.02		
	Domestic/International Ratio	53/47	47/53		
Santa Monica	Overnights	80,640	80,354	84%	97%
	FIT/Group Ratio	84/16	82/18		
	Average Daily Rate	$40.09	$42.40		
	Domestic/International Ratio	15/85	14/85		
San Pedro	Overnights	2,122	2,462	21%	58%
	FIT/Group Ratio	82/18	92/8		
	Average Daily Rate	$26.26	$28.17		
	Domestic/International Ratio	34/56	37/63		
Point Loma	Overnights	16,499	16,264	77%	85%
	FIT/Group Ratio	94/6	89/11		
	Average Daily Rate	$25.46	$27.33		
	Domestic/International Ratio	43/57	49/51		
San Diego DT	Overnights	34,083	34,252	61%	67%
	FIT/Group Ratio	96/4	95/5		
	Average Daily Rate	$32.70	$35.67		
	Domestic/International Ratio	58/42	42/58		

Exhibit 4
Lower Cost Workshop
November 3, 2016

CALIFORNIA REGIONAL OCCUPANCY RATES AND

AVERAGE DAILY RATES FOR JULY 2016

	Occupancy Rate for July 2016	Average Daily Rate for July 2016
United States	74.4%	$128.77
Pacific	83.1%	$173.32
California	83.6%	$171.48
Central Coast	86.9%	$199.58
Central Valley	72.8%	$87.04
Deserts	56.7%	$99.07
Gold Country	79.7%	$108.25
High Sierra	81.5%	$160.51
Inland Empire	79.1%	$97.84
Los Angeles County	88.0%	$185.51
North Coast	82.1%	$119.45
Orange County	89.3%	$173.06
Shasta Cascade	73.9%	$91.87
San Diego County	87.4%	$195.58
San Francisco Bay Area	85.6%	$203.09
Bakersfield	65.6%	$77.25
Fresno	69.6%	$95.08
Tulare/Visalia	81.5%	$102.26
Santa Rosa	86.7%	$183.75
Redding/Chico	75.0%	$90.46
Napa Valley	81.4%	$336.57
Vallejo/Fairfield/Vacaville	77.0%	$97.89
California Rural North Area	74.5%	$111.37
Eureka/Crescent City	86.6%	$118.51
Stockton/Modesto	76.5%	$87.07
Merced/Central	83.0%	$134.29
Oxnard/Ventura	86.2%	$148.95
Santa Barbara/Santa Maria	86.2%	$231.68
San Luis Obispo/Paso Robles	85.7%	$186.61
Monterey/Salinas	89.0%	$224.71

Source: http://industry.visitcalifornia.com/media/uploads/files/editor/VisitCalifornia_201607.pdf

Exhibit 5
Lower Cost Workshop
November 3, 2016

California Transient Occupancy Tax by County

Fiscal Year
Amounts in $000

	*Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ALAMEDA	11.0%	28,858	31,479	34,685	36,776	32,050	30,022	35,744	40,480	46,675	53,748	62,503
ALPINE	10.0%	558	552	566	568	476	490	563	438	561	143	154
AMADOR	9.4%	627	652	792	689	607	619	638	652	722	1,007	1,061
BUTTE	9.7%	2,042	2,291	2,469	2,606	2,508	2,316	2,440	2,554	2,709	2,869	3,073
CALAVERAS	10.0%	1,050	1,155	1,185	1,235	1,159	1,111	1,144	1,156	1,187	1,271	1,460
COLUSA	9.8%	16	423	360	340	353	314	309	368	358	390	369
CONTRA COSTA	9.2%	9,290	10,553	11,826	12,279	10,561	9,327	9,512	10,876	12,098	14,072	14,940
DEL NORTE	9.3%	994	1,090	1,203	1,260	1,203	1,213	1,209	1,200	1,306	1,400	1,551
EL DORADO	10.0%	12,845	13,567	12,275	12,048	10,206	10,303	10,598	10,889	12,620	13,632	15,673
FRESNO	11.4%	9,408	10,700	11,567	11,536	10,938	9,843	10,185	10,951	11,496	12,411	13,642
GLENN	11.7%	418	432	435	389	386	440	440	449	458	508	556
HUMBOLDT	10.0%	3,552	3,683	4,226	4,399	4,403	4,396	4,882	4,877	5,217	5,625	6,065
IMPERIAL	9.6%	1,685	1,718	1,986	2,110	1,858	1,741	1,859	2,172	2,230	2,394	2,240
INYO	12.0%	2,618	3,322	3,728	4,115	4,167	4,276	4,538	4,693	4,707	5,261	5,065
KERN	9.9%	9,276	10,294	11,280	11,082	10,813	9,786	10,481	11,710	12,192	13,139	14,551
KINGS	8.7%	737	786	765	718	770	631	654	723	732	760	888
LAKE	9.1%	1,162	1,268	1,356	1,311	1,102	932	819	842	694	955	857
LASSEN	10.0%	479	524	579	575	454	422	408	431	409	430	469
LOS ANGELES	12.7%	283,859	305,434	328,102	354,820	316,717	293,919	327,626	367,512	406,994	432,562	474,248
MADERA	9.1%	1,975	2,160	2,272	2,350	2,411	2,426	2,588	2,683	2,828	3,282	3,132
MARIN	10.2%	6,245	7,021	7,665	8,357	7,223	6,531	7,143	8,184	9,192	10,488	12,111
MARIPOSA	10.0%	8,296	8,723	9,228	10,331	9,683	11,406	10,664	11,461	11,438	11,624	13,523
MENDOCINO	10.0%	5,677	5,975	6,114	6,467	6,198	5,547	5,507	6,018	6,288	6,748	7,712
MERCED	9.9%	1,674	1,818	1,808	1,799	1,729	1,556	1,482	1,600	1,691	1,996	**2,948
MODOC	7.6%	161	167	162	181	156	151	171	161	156	167	188
MONO	12.8%	11,748	13,130	12,172	13,342	12,206	12,909	13,519	12,394	14,126	13,077	14,148
MONTEREY	10.3%	41,555	41,907	44,908	45,852	41,875	39,596	40,507	46,522	49,995	53,739	59,515
NAPA	12.0%	17,824	20,206	23,746	27,212	24,570	23,667	27,887	31,403	34,582	40,555	44,497
NEVADA	10.0%	1,967	2,203	2,441	2,647	2,268	2,372	2,463	2,508	2,781	3,115	3,588

*The reported rate represents a county-wide average for the last fiscal year. **Includes late payments from 2013 and 2014.

California Transient Occupancy Tax by County

Fiscal Year
Amounts in $000

	*Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ORANGE	12.0%	146,393	166,775	182,356	187,110	165,880	155,772	172,711	189,382	208,294	218,396	246,150
PLACER	7.6%	10,407	10,444	11,148	12,057	11,190	11,607	13,149	13,221	14,520	15,264	15,220
PLUMAS	9.0%	1,104	1,093	1,070	1,155	1,170	1,049	1,077	1,180	1,250	1,640	1,300
RIVERSIDE	11.0%	50,267	55,479	57,199	58,107	49,572	47,913	53,055	60,135	66,583	71,325	81,553
SACRAMENTO	11.7%	27,407	29,661	31,995	32,072	27,850	24,630	26,290	26,294	27,910	31,522	34,717
SAN BENITO	8.5%	284	267	302	275	244	239	217	247	282	297	332
SAN BERNARDIN	10.0%	23,620	25,775	27,703	28,175	25,178	24,130	25,625	26,501	28,253	26,746	33,394
SAN DIEGO	10.4%	155,568	173,921	194,790	203,564	179,179	158,291	177,992	189,187	203,924	223,586	246,109
SAN FRANCISCO	14.0%	151,993	173,923	194,290	219,089	214,460	186,849	209,962	239,567	238,782	310,052	394,262
SAN JOAQUIN	8.1%	4,245	4,282	4,519	4,741	4,238	3,687	3,980	4,330	4,859	4,691	5,280
SAN LUIS OBISPC	9.9%	17,867	19,729	21,984	23,322	22,363	21,784	23,878	26,146	28,439	32,700	36,387
SAN MATEO	11.4%	28,678	34,272	37,939	42,195	38,163	37,789	46,622	56,095	63,621	82,363	82,532
SANTA BARBARA	11.1%	25,643	28,102	30,878	31,863	29,375	27,994	30,742	33,021	34,418	39,058	44,054
SANTA CLARA	10.3%	48,946	57,587	64,686	71,919	58,034	54,489	61,974	74,455	84,382	98,126	120,804
SANTA CRUZ	10.8%	8,533	8,957	9,945	10,504	9,362	9,125	10,207	11,799	12,802	15,517	17,935
SHASTA	10.0%	4,217	4,637	4,871	4,881	4,527	4,513	4,671	4,931	5,310	5,384	5,714
SIERRA	10.0%	249	249	290	308	300	285	289	324	343	349	342
SISKIYOU	9.4%	1,911	1,982	2,165	2,150	2,040	1,965	1,934	2,019	2,153	2,204	2,450
SOLANO	9.6%	4,286	4,430	4,950	5,031	4,259	4,018	4,340	4,626	4,915	5,432	6,394
SONOMA	9.8%	15,049	17,130	19,574	20,997	19,047	17,870	19,850	22,196	24,961	28,407	31,280
STANISLAUS	8.5%	3,297	3,592	3,795	3,753	3,521	3,004	3,263	3,618	3,839	3,998	4,438
SUTTER	10.0%	558	585	665	744	648	531	652	671	674	696	816
TEHAMA	9.9%	893	815	937	1,081	869	847	895	883	1,038	1,054	1,209
TRINITY	5.0%	204	207	190	193	180	165	191	203	221	219	214
TULARE	9.8%	3,568	3,984	4,266	4,578	4,486	4,116	4,443	4,629	5,155	5,402	6,351
TUOLUMNE	10.0%	1,385	1,591	1,602	1,748	1,611	1,721	2,103	2,540	2,792	2,558	2,943
VENTURA	9.8%	12,721	15,444	16,548	17,044	15,070	13,677	14,755	16,346	17,894	19,816	21,365
YOLO	10.4%	2,506	2,809	2,935	3,094	2,852	2,622	3,099	3,135	3,450	2,737	4,229
YUBA	10.0%	263	285	352	377	351	289	319	399	341	379	428
(California Values in $Millions)												
California	11.4%	1,218.7	1,351.2	1,473.8	1,569.5	1,415.1	1,309.2	1,454.3	1,614.0	1,747.8	1,957.3	2,228.9

*The reported rate represents a county-wide average for the last fiscal year.

California Transient Occupancy Tax by Jurisdiction

Fiscal Year
Amounts in $000

	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ALAMEDA COUNTY												
Alameda	10.0%	812.7	934.2	991.4	1,088.3	1,178.7	1,084.9	1,118.7	1,294.7	1,396.4	1,612.3	1,928.7
Berkeley	12.0%	2,701.1	3,008.8	3,306.0	3,588.8	3,671.4	3,673.0	4,698.0	4,609.0	5,555.6	6,169.2	7,038.6
Dublin	8.0%	663.6	727.6	800.8	789.4	577.1	557.0	683.7	879.7	1,003.1	1,118.2	1,528.9
Emeryville	12.0%	3,194.7	3,158.6	3,681.1	4,247.0	3,877.7	3,298.5	3,598.2	4,233.2	4,851.8	5,276.6	5,911.8
Fremont	10.0%	2,017.6	2,342.3	2,887.4	3,181.3	2,864.5	2,867.0	3,475.9	4,132.7	4,871.9	5,987.9	7,175.8
Hayward	8.5%	1,182.7	1,183.5	1,262.1	1,553.7	1,324.9	1,109.9	1,252.8	1,465.9	1,678.6	1,918.4	2,023.1
Livermore	8.0%	1,239.7	1,438.6	1,620.7	1,728.9	1,394.9	1,310.2	1,480.5	1,754.1	2,001.3	2,570.4	2,210.9
Newark	10.0%	2,320.2	2,775.4	3,182.4	3,325.8	2,573.6	2,331.3	2,785.3	3,323.1	3,704.5	4,319.7	5,067.2
Oakland	14.0%	10,926.0	11,690.0	12,303.0	12,400.0	10,599.0	10,085.0	12,484.0	13,822.0	15,831.0	18,208.3	21,458.2
Pleasanton	8.0%	2,798.9	3,053.0	3,347.9	3,401.6	2,802.3	2,719.6	2,965.6	3,486.6	3,938.9	4,298.6	5,057.1
San Leandro	10.0%	605.8	599.7	620.8	662.7	584.1	538.3	609.6	711.5	775.4	889.5	1,017.2
Union City	11.4%	394.7	567.4	681.1	808.4	601.9	447.6	591.5	767.5	1,066.8	1,378.7	2,085.2
ALPINE COUNTY												
Unincorporated	10.0%	558.3	551.7	565.8	568.2	476.1	490.1	563.5	438.1	560.8	143.1	154.3
AMADOR COUNTY												
Unincorporated	10.0%	104.4	104.2	102.1	100.8	90.9	83.2	89.4	96.5	103.2	175.3	203.2
Amador	10.0%	10.7	3.3	9.2	7.2	8.6	8.5	8.8	0.0	0.0	175.3	203.2
Ione	0.0%	8.5	1.6	0.5	4.6	4.2	3.5	1.6	0.6	0.2	0.0	0.0
Jackson	10.0%	311.9	329.9	423.2	323.9	273.3	296.5	284.1	285.1	307.6	304.8	352.7
Plymouth	10.0%	72.6	79.6	79.0	80.7	74.9	74.1	85.1	94.7	141.5	194.2	142.0
Sutter Creek	7.3%	118.9	133.0	177.4	172.2	155.2	153.7	168.9	175.4	169.6	157.1	
BUTTE COUNTY												
Unincorporated	6.0%	42.0	43.6	39.2	34.9	29.2	27.7	28.6	27.9	27.0	21.3	17.8
Chico	10.0%	1,449.0	1,708.5	1,895.3	2,022.4	1,953.3	1,764.6	1,880.0	1,970.4	2,049.1	2,211.3	2,361.5
Gridley	6.0%	23.9	27.2	24.6	26.5	24.6	21.0	22.2	20.7	21.3	22.2	24.9
Oroville	9.0%	352.4	336.5	323.7	320.1	320.0	334.9	346.7	363.5	421.3	428.2	469.9
Paradise	10.0%	174.8	174.9	186.0	201.6	181.2	168.1	162.0	171.2	190.1	185.5	198.6
CALAVERAS COUNTY												
Unincorporated	10.0%	349.0	415.4	412.5	404.3	369.1	334.0	362.2	340.7	326.5	327.3	395.5
Angels Camp	10.0%	700.8	739.2	772.9	830.7	789.7	776.9	782.2	815.7	860.7	943.2	1,064.9

California Transient Occupancy Tax by Jurisdiction
Fiscal Year
Amounts in $000

	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
COLUSA COUNTY												
Colusa	8.0%	15.8	36.5	0.0	0.0	21.5	19.3	13.6	24.5	18.8	24.8	24.8
Williams	10.0%	0.0	386.6	359.5	340.0	331.8	294.6	295.8	343.7	339.1	365.4	344.6
CONTRA COSTA COUNTY												
Unincorporated	10.0%	1,824.8	1,344.0	1,872.7	1,776.6	1,844.5	1,906.9	1,439.1	1,835.6	2,170.9	2,499.5	2,119.5
Antioch	10.0%	307.6	327.0	371.8	360.3	241.9	113.2	80.0	120.3	116.2	136.0	149.7
Brentwood	10.0%	116.4	118.5	137.1	149.7	167.4	132.2	205.6	232.5	269.7	284.0	349.7
Concord	10.0%	1,629.4	1,836.0	2,057.2	2,193.1	1,710.8	1,427.8	1,391.1	1,478.9	1,695.1	2,171.5	2,619.4
Danville	6.5%	69.1	75.2	92.3	93.1	84.5	74.6	87.1	96.8	109.1	121.1	121.2
El Cerrito	10.0%	72.4	83.0	85.1	104.4	87.7	74.9	85.6	98.4	103.4	130.6	114.7
Lafayette	9.5%	525.7	581.1	628.6	615.4	493.8	413.8	451.2	522.8	562.0	630.6	701.7
Martinez	10.0%	278.0	296.1	359.4	366.4	293.9	269.2	290.3	302.5	307.5	290.7	383.0
Pinole	10.0%	221.2	219.5	241.4	247.6	223.3	187.7	198.0	208.5	223.4	302.3	391.2
Pittsburg	10.0%	144.9	152.2	155.9	168.7	185.1	256.2	279.9	361.2	0.0	503.3	645.1
Pleasant Hill	10.0%	1,108.7	1,311.8	1,293.5	1,556.0	1,356.5	1,147.2	1,235.1	1,349.6	1,572.8	1,610.1	1,817.5
Richmond	10.0%	0.0	838.0	860.1	908.3	789.5	686.7	660.2	726.9	857.6	986.3	1,049.3
San Pablo	12.0%	199.0	297.7	335.2	306.0	272.2	247.1	262.4	309.2	356.2	424.6	455.0
San Ramon	7.3%	1,672.9	1,796.1	1,998.4	1,979.7	1,566.2	1,247.3	1,500.9	1,741.1	2,096.0	2,246.2	2,470.0
Walnut Creek	8.5%	1,120.0	1,276.7	1,337.4	1,453.9	1,244.2	1,142.0	1,345.4	1,491.5	1,658.7	1,734.9	1,552.7
DEL NORTE COUNTY												
Unincorporated	8.0%	211.9	269.8	276.9	298.0	309.3	323.9	318.7	340.0	343.6	434.0	401.7
Crescent City	10.0%	781.9	820.7	925.8	962.5	893.7	888.9	890.6	860.4	962.1	965.7	1,149.7
EL DORADO COUNTY												
Unincorporated	10.0%	1,305.4	1,443.6	1,873.8	1,822.0	1,799.6	1,731.0	1,812.6	1,932.7	2,186.2	2,442.6	2,778.4
Placerville	10.0%	182.0	191.4	191.4	179.1	134.8	115.8	115.7	131.2	136.6	158.8	186.3
So. Lake Tahoe	10.0%	11,357.2	11,932.2	10,209.8	10,047.1	8,271.8	8,455.8	8,670.1	8,824.7	10,297.5	11,030.8	12,708.2
FRESNO COUNTY												
Clovis	10.0%	126.3	312.6	315.4	329.3	508.7	1,023.6	1,309.5	1,440.7	1,519.4	1,683.1	1,826.5
Firebaugh	4.0%	0.0	2.5	2.5	9.1	2.5	7.7	5.6	4.1	4.8	5.8	10.6
Fresno	12.0%	8,963.5	10,033.1	10,856.6	10,803.1	10,089.1	8,492.6	8,458.2	9,072.4	9,507.9	10,036.7	10,984.2

California Transient Occupancy Tax by Jurisdiction
Fiscal Year
Amounts in $000

	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
FRESNO COUNTY												
Huron	10.0%	0.0	1.2	1.2	3.7	7.5	2.7	2.5	3.7	3.8	3.9	3.0
Kingsburg	12.0%	43.2	45.0	49.3	45.6	49.4	71.7	162.5	176.3	201.6	322.2	322.4
Reedley	8.0%			50.5	55.1	38.0	34.5	36.7	35.5	37.9	40.4	41.5
Sanger	4.0%		4.3	6.6	6.3	6.5	5.8	7.7	9.0	6.4	8.9	9.3
Selma	12.0%	191.8	219.0	270.7	269.8	216.6	181.3	164.5	175.9	188.7	281.9	414.4
GLENN COUNTY												
Unincorporated	5.0%	5.4	3.7	3.7	3.9	4.7	5.1	3.5	2.9	3.7	2.6	2.7
Orland	10.0%	68.6	58.3	61.9	57.2	54.4	44.3	47.6	45.8	47.3	50.4	53.1
Willows	12.0%	343.6	370.3	369.0	328.1	327.3	391.0	388.6	400.1	406.6	454.6	500.1
HUMBOLDT COUNTY												
Unincorporated	10.0%	904.5	955.5	1,201.0	1,146.1	1,135.1	1,093.4	1,166.8	1,193.4	1,311.0	1,423.3	1,596.7
Arcata	10.0%	730.4	776.3	872.9	891.2	906.0	892.3	934.0	1,038.0	1,194.5	1,295.5	1,238.3
Eureka	10.0%	1,424.3	1,434.1	1,558.0	1,742.7	1,784.8	1,798.0	2,149.0	1,923.0	1,947.2	2,125.5	2,419.5
Ferndale	8.0%	60.6	70.5	69.2	83.0	75.3	69.6	76.4	98.4	98.6	128.4	130.0
Fortuna	10.0%	392.8	405.3	469.6	473.4	447.3	444.0	472.1	516.4	523.6	507.5	531.6
Rio Dell	8.0%	8.8	9.6	11.0	10.2	10.0	10.4	11.5	12.0	10.2	11.6	10.8
Trinidad	12.0%	30.7	31.8	44.3	52.5	44.3	88.2	72.4	96.0	131.6	132.9	138.3
IMPERIAL COUNTY												
Unincorporated	8.0%	16.1	34.7	26.7	10.5	13.6	1.3	0.8	2.8	6.0	26.1	23.1
Brawley	8.0%	182.9	194.0	224.3	234.0	285.2	252.4	287.2	314.6	282.5	322.8	334.8
Calexico	10.0%	251.0	238.1	356.2	320.1	277.1	209.8	185.0	245.9	237.4	314.7	243.4
Calipatria	8.0%	27.3	29.3	37.3	40.2	27.3	26.0	24.7	28.7	21.9	31.8	19.5
El Centro	10.0%	1,166.4	1,200.2	1,324.2	1,471.6	1,232.3	1,235.0	1,343.5	1,560.8	1,660.3	1,667.1	1,592.3
Holtville	4.0%	1.7	1.5	1.4	0.9	1.3	1.2	1.0	1.0	1.1	1.2	
Imperial	8.0%	40.0	19.7	16.0	32.6	21.0	15.2	16.7	18.1	21.1	30.6	25.7
INYO COUNTY												
Unincorporated	12.0%	1,373.2	1,603.3	1,937.1	2,313.0	2,459.1	2,617.8	2,667.3	2,882.0	2,877.9	3,302.7	2,958.9
Bishop	12.0%	1,244.4	1,718.3	1,790.8	1,802.1	1,707.9	1,658.6	1,871.2	1,810.7	1,828.9	1,957.8	2,105.7

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KERN COUNTY												
Unincorporated	6.0%	1,337.7	1,414.1	1,687.9	1,506.1	1,676.2	1,346.0	1,657.6	1,732.2	1,844.9	1,775.3	2,557.3
Bakersfield	12.0%	6,594.8	7,456.8	7,954.2	7,749.5	7,144.7	6,493.7	6,851.9	7,827.8	8,274.2	8,826.0	9,487.9
California City	6.0%	4.4	3.6	6.5	4.0	2.9	1.6	1.0	15.8	49.7	59.8	59.0
Delano	10.0%	147.4	147.0	185.2	226.1	193.8	135.2	165.7	180.3	214.1	193.4	252.6
Maricopa	10.0%	15.7	28.7	20.3	21.9	27.6	24.5	19.5	27.0	21.7	21.0	23.7
McFarland	6.0%	1.2	1.0	1.3	1.0	1.0	0.8	0.0	0.0	0.0	0.0	0.0
Ridgecrest	10.0%	875.8	886.8	999.8	1,169.0	1,347.1	1,411.9	1,144.1	1,151.2	1,094.6	1,165.4	1,207.0
Taft	10.0%	28.1	20.4	34.2	31.2	34.1	29.7	23.8	56.5	40.3	67.9	
Tehachapi	8.0%	257.6	318.1	370.0	352.4	346.3	250.6	499.8	567.5	500.4	830.3	683.8
Wasco	6.0%	13.6	17.4	21.0	20.6	39.0	92.2	117.9	152.0	152.0	199.6	
KINGS COUNTY												
Unincorporated	10.0%	201.4	212.2	234.3	234.0	212.9	199.0	233.3	279.6	277.5	297.9	315.0
Avenal	6.0%	5.4	5.3	5.6	4.5	4.5	4.1	5.0	5.5	5.1	4.5	4.4
Corcoran	8.0%	39.2	31.8	35.3	36.3	34.1	37.6	45.9	48.8	47.8	42.2	44.6
Hanford	8.0%	287.7	308.0	322.3	284.3	316.6	272.0	257.8	263.4	277.1	288.1	348.1
Lemoore	8.0%	203.2	228.4	167.3	158.9	201.9	117.9	111.6	125.6	124.0	127.2	176.1
LAKE COUNTY												
Unincorporated	9.0%	833.4	933.7	940.8	937.0	806.2	676.7	589.9	601.0	441.3	660.4	592.1
Clearlake	9.0%	166.4	181.4	248.7	226.3	186.1	160.9	159.9	158.9	168.2	199.9	206.7
Lakeport	10.0%	162.5	153.3	166.4	147.3	109.6	94.6	68.8	82.5	84.8	94.8	57.7
LASSEN COUNTY												
Unincorporated	10.0%	53.2	55.5	61.3	58.1	49.5	41.7	42.0	39.8	30.1	29.2	27.2
Susanville	10.0%	425.6	468.3	517.6	517.2	404.1	380.4	366.4	391.5	379.1	400.7	441.8
LOS ANGELES COUNTY												
Unincorporated	12.0%	10,334.1	12,178.4	12,683.7	13,767.1	12,271.9	10,849.5	11,436.9	13,118.6	14,180.5	15,458.3	17,469.8
Agoura Hills	12.0%	1,480.4	1,643.7	1,766.6	1,748.5	1,767.3	1,590.1	1,709.1	1,738.5	1,915.3	2,131.0	2,244.7
Alhambra	12.0%	212.9	222.9	223.5	232.8	182.7	145.8	147.6	175.6	166.9	193.3	268.2
Arcadia	10.0%	2,468.6	2,597.5	2,762.0	2,916.8	2,428.8	2,237.6	2,394.1	2,560.4	2,823.4	3,215.3	3,365.4
Artesia	12.5%	117.8	151.6	170.9	242.8	220.6	254.4	366.2	426.3	450.3	443.1	535.1
Avalon	12.0%	3,070.0	3,395.2	3,301.3	3,429.2	2,957.0	2,614.5	3,084.6	3,320.3	3,515.5	4,463.7	5,543.2
Azusa	7.5%	221.8	242.6	234.4	243.3	222.7	200.8	192.7	210.9	230.5	242.5	262.4

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LOS ANGELES COUNTY												
Baldwin Park	10.0%	215.9	356.3	369.1	310.1	250.6	218.9	216.6	215.8	222.9	253.9	294.1
Bell	0.0%	132.3	167.4	161.5	166.9	169.4	175.9	93.9	4.6			
Bell Gardens	8.0%	147.8	203.3	214.3	185.1	204.8	187.8	221.4	238.1	258.7	314.1	362.3
Bellflower	9.0%	520.3	585.0	603.0	579.6	514.8	450.7	444.0	486.8	526.1	591.4	656.6
Beverly Hills	8.0%	19,263.7	22,842.3	25,870.7	29,101.9	24,001.9	23,447.5	26,594.8	29,789.2	31,085.8	34,379.9	36,460.8
Burbank	10.0%	4,605.9	5,632.4	5,691.1	5,980.7	5,941.1	5,272.5	5,685.8	5,943.0	6,548.1	7,145.4	7,909.0
Calabasas	12.0%	1,241.7	1,351.8	1,463.1	1,342.4	1,095.4	1,012.5	1,198.6	1,143.4	1,264.6	1,492.1	1,683.2
Carson	9.0%	1,139.2	1,329.5	1,392.1	1,564.1	1,183.4	1,121.1	1,197.8	1,307.7	1,462.2	1,598.0	1,812.3
Cerritos	12.0%	423.2	443.5	474.3	481.9	394.3	356.1	398.6	445.4	460.8	504.3	697.8
Claremont	10.0%	481.6	446.0	829.4	1,018.9	871.9	779.9	917.4	1,000.7	1,076.9	1,147.5	1,283.9
Compton	7.5%	198.8	226.1	236.0	256.2	194.2	156.8	149.8	152.3	115.4	114.5	
Covina	10.0%	484.6	578.4	550.4	423.9	340.2	356.0	317.6	316.6	394.9	100.9	348.1
Cudahy	8.0%	72.4	91.4	90.7	66.2	54.5	43.8	65.9	53.2	49.6	53.0	54.0
Culver City	14.0%	1,992.0	2,310.8	3,224.3	2,938.2	2,944.2	2,963.3	3,283.9	3,781.1	5,195.3	5,608.0	6,700.0
Diamond Bar	10.0%	717.9	718.9	774.8	800.4	633.1	569.9	642.5	692.2	783.0	851.2	935.4
Downey	9.0%	862.5	1,022.5	1,084.8	1,050.2	934.0	935.8	991.2	1,122.6	1,218.7	1,315.0	1,317.0
Duarte	10.0%	95.2	100.4	95.8	87.2	72.1	43.1	59.6	69.0	94.1	96.9	105.1
El Monte	10.0%	294.9	320.3	326.3	312.3	306.7	265.8	266.5	277.6	298.8	318.0	380.0
El Segundo	8.0%	3,849.8	4,106.1	4,862.2	5,138.1	3,967.9	3,955.6	4,153.4	4,617.2	5,156.1	5,964.4	4,979.5
Gardena	11.0%	574.2	593.3	548.5	620.6	480.1	410.3	414.1	477.9	553.5	639.7	744.9
Glendale	10.0%	2,213.2	2,653.3	2,571.3	2,731.2	2,381.1	2,690.5	3,044.8	3,367.6	3,545.0	3,978.9	4,466.5
Glendora	6.0%	76.3	88.0	70.3	114.2	103.3	86.4	75.5	88.4	129.6	133.8	137.2
Hawthorne	12.0%	1,737.7	1,937.2	2,343.6	2,311.4	1,937.2	2,017.3	2,017.3	2,393.0	2,658.6	2,765.2	3,357.3
Hermosa Beach	10.0%	1,477.6	1,628.4	1,769.0	1,892.4	1,645.6	1,559.0	1,689.4	1,815.3	1,996.2	2,204.4	2,349.8
Huntington Park	5.0%	22.1	50.3	42.7	41.8	48.0	38.7	54.7	46.9	48.3	49.9	49.8
Industry	10.0%	811.1	879.9	886.0	768.0	723.4	664.5	746.9	792.8	875.5	1,011.9	1,000.1
Inglewood	14.0%	2,465.9	2,838.7	3,204.4	3,809.7	2,501.6	2,517.0	2,978.7	3,135.8	3,456.3	4,094.3	4,775.5
La Mirada	10.0%	695.9	827.8	907.5	889.8	724.7	803.4	1,022.0	973.2	1,165.2	1,388.9	1,505.5
La Puente	10.0%	82.4	86.8	83.0	79.5	72.0	82.6	137.4	153.4	167.3	192.1	207.3
Lakewood	8.0%	32.7	35.8	40.5	30.3	37.3	42.3	60.2	50.2	46.2	46.0	47.9
Lancaster	7.0%	1,300.4	1,096.6	1,452.8	1,211.5	1,327.0	1,380.8	1,300.1	1,338.0	1,314.7	1,313.0	1,614.4

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LOS ANGELES COUNTY												
Lawndale	9.0%	417.4	498.7	519.7	557.3	474.9	374.1	407.3	452.6	490.4	507.2	525.0
Lomita	10.0%	113.7	88.4	120.7	124.8	106.7	112.1	105.6	117.8	126.7	122.5	133.6
Long Beach	12.0%	12,267.0	12,913.2	14,276.1	14,259.7	11,140.3	12,243.5	13,782.5	16,791.0	18,783.7	21,265.0	
Los Angeles	14.0%	137,574.7	136,752.1	144,910.7	159,977.5	146,826.0	127,626.2	145,166.7	163,395.3	180,734.3	184,382.4	202,896.6
Malibu	12.0%	915.8	998.6	712.9	907.6	1,043.3	1,074.5	1,159.9	1,335.8	1,421.4	1,535.0	1,983.5
Manhattan Beach	10.0%	2,449.3	3,186.4	3,665.7	3,995.4	3,507.8	3,174.3	3,229.8	3,240.4	3,881.2	4,167.1	4,604.9
Maywood	5.0%	30.7	31.4	38.4	63.2	55.3	38.0	34.5	11.1	39.4	45.8	
Monrovia	10.0%	960.2	999.5	659.4	748.1	1,221.3	1,075.7	1,179.3	1,329.2	1,454.3	1,562.9	1,760.1
Montebello	10.0%	261.5	299.8	263.5	288.5	235.0	243.3	255.7	297.7	312.1	325.3	353.0
Monterey Park	12.0%	500.0	608.4	783.5	908.7	785.3	660.9	756.9	876.5	957.0	1,049.1	1,158.8
Norwalk	10.0%	1,025.1	1,388.8	1,165.3	1,161.2	1,165.7	922.4	876.6	1,128.5	1,227.0	1,309.0	1,378.5
Palmdale	10.0%	1,316.9	1,407.8	1,532.9	1,482.1	1,517.2	2,581.7	2,633.4	2,788.7	2,908.0	2,824.2	3,089.8
Pasadena	12.0%	7,445.0	8,481.0	8,565.0	8,848.0	7,382.0	6,942.0	7,668.0	9,553.0	11,109.0	12,043.0	13,165.0
Pico Rivera	10.0%	278.2	315.0	407.0	361.2	359.6	252.2	304.0	309.4	333.2	367.8	354.5
Pomona	10.0%	1,473.7	1,865.0	1,731.5	1,718.6	1,450.3	1,300.2	1,266.7	1,359.1	1,473.7	1,561.0	1,568.0
Rancho Palos Verdes	10.0%	24.9	26.3	31.8	26.1	85.2	1,954.5	2,640.4	3,349.0	3,790.4	4,250.1	4,812.1
Redondo Beach	12.0%	2,648.3	3,354.1	3,738.8	3,933.0	3,485.3	3,204.0	3,267.2	3,533.5	3,693.1	3,970.8	4,464.8
Rosemead	10.0%	1,102.8	1,207.3	1,311.7	1,411.4	1,272.1	1,188.3	1,170.3	1,347.4	1,449.9	1,590.5	1,575.4
San Dimas	12.0%	672.6	714.3	735.0	720.6	657.0	649.4	670.0	699.9	779.4	1,278.4	1,425.7
San Gabriel	12.0%	368.0	492.5	565.7	645.9	702.3	761.0	880.1	948.2	1,167.6	1,425.9	1,453.5
Santa Clarita	10.0%	1,632.1	1,824.4	1,804.9	2,433.7	2,260.7	2,050.9	2,106.5	2,380.5	2,556.8	2,781.5	3,124.9
Santa Fe Springs	10.0%	242.9	288.4	328.2	343.2	304.7	219.1	145.2	119.7	112.7	116.9	144.4
Santa Monica	14.0%	23,419.1	29,209.2	31,892.4	34,969.1	31,265.2	29,803.6	32,747.3	36,143.1	40,997.1	44,411.7	47,628.5
Signal Hill	9.0%	197.0	211.1	221.6	204.5	147.0	135.9	135.6	150.0	156.4	169.4	176.2
South El Monte	8.0%	223.2	240.9	267.3	242.8	200.1	170.9	194.1	186.2	195.2	213.6	21.9
South Gate	8.0%	243.9	266.6	271.3	234.2	233.7	222.7	278.0	229.8	250.2	278.1	266.6
Temple City	10.0%	38.9	41.9	47.3	45.0	41.5	34.8	34.2	33.0	28.9	46.8	53.6
Torrance	11.0%	6,451.3	6,694.2	7,541.5	7,890.7	6,904.0	6,400.2	6,958.9	7,900.2	8,636.3	9,291.7	10,529.1
West Covina	10.0%	912.7	932.8	1,021.7	1,057.7	787.3	647.1	756.6	1,052.1	1,228.1	1,238.3	1,613.5
West Hollywood	12.5%	11,262.7	12,791.3	13,598.3	13,111.4	12,124.3	12,590.1	14,089.7	15,414.1	18,062.3	18,980.1	20,903.4
Westlake Village	10.0%	681.7	680.2	1,277.3	2,549.7	2,293.2	2,220.5	2,394.4	2,613.5	2,623.3	2,907.0	3,217.6

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LOS ANGELES COUNTY												
Whittier	10.0%	573.2	643.8	718.5	714.8	576.8	546.1	559.6	585.8	564.3	730.1	778.8
MADERA COUNTY												
Unincorporated	9.0%	1,606.1	1,737.1	1,800.1	1,883.0	1,849.3	1,845.5	1,964.9	2,017.4	2,044.2	2,390.2	2,139.6
Chowchilla	10.0%	82.8	96.4	90.0	115.4	187.9	159.2	186.9	143.3	207.6	245.0	269.3
Madera	9.0%	286.5	326.4	381.8	351.2	373.4	421.4	436.3	522.5	576.6	646.6	722.9
MARIN COUNTY												
Unincorporated	10.0%	1,522.6	1,558.5	1,752.9	1,994.9	1,751.7	1,506.3	1,747.4	2,037.1	2,243.8	2,672.8	3,112.8
Corte Madera	10.0%	520.5	584.8	609.6	655.1	567.2	524.6	570.8	684.6	728.6	861.9	963.6
Fairfax	10.0%	20.1	14.2	19.7	15.7	17.7	18.0	18.0	19.1	29.6	25.6	27.7
Larkspur	10.0%	425.7	578.0	585.2	615.8	483.6	453.1	506.7	566.8	648.0	702.7	812.2
Mill Valley	10.0%	388.8	428.5	471.4	481.8	400.9	374.2	414.0	481.2	566.2	636.0	715.1
Novato	10.0%	931.4	1,053.2	1,112.1	1,075.6	1,004.5	896.7	942.4	1,053.8	1,218.3	1,354.0	1,543.6
San Rafael	10.0%	1,339.7	1,543.0	1,679.9	1,963.6	1,678.9	1,558.2	1,644.3	1,866.6	2,185.3	2,332.3	2,661.9
Sausalito	12.0%	782.2	946.2	988.3	1,006.0	860.4	784.1	828.8	893.9	966.8	1,202.2	1,462.8
Tiburon	10.0%	314.0	315.0	445.7	548.8	458.1	416.1	471.1	580.8	605.2	700.3	811.3
MARIPOSA COUNTY												
Unincorporated	10.0%	8,296.5	8,722.7	9,228.1	10,331.1	9,683.1	11,405.6	10,663.9	11,460.8	11,438.2	11,624.2	13,523.2
MENDOCINO COUNTY												
Unincorporated	10.0%	3,689.4	3,808.1	3,712.1	3,840.3	3,732.8	3,256.2	3,293.6	3,556.3	3,617.6	3,855.5	4,491.1
Fort Bragg	10.0%	1,311.3	1,395.8	1,503.9	1,553.0	1,492.1	1,379.1	1,324.8	1,413.6	1,545.7	1,679.1	1,821.1
Point Arena	10.0%	53.1	68.1	68.2	82.9	68.4	56.8	44.2	35.3	33.9	23.2	
Ukiah	10.0%	423.3	489.7	604.1	753.7	710.1	661.1	691.6	775.5	828.0	925.2	1,059.3
Willits	9.0%	200.0	213.8	225.8	236.7	194.8	193.6	153.1	236.8	262.5	264.9	315.7
MERCED COUNTY												
Unincorporated	10.0%	650.8	626.7	703.7	640.0	551.2	565.1	522.3	540.9	547.3	675.4	719.2
Atwater	8.0%	64.1	63.4	60.8	55.2	48.4	36.3	35.9	34.9	35.0	38.3	38.1
Gustine	0.0%	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Livingston	9.0%	2.8	2.7	2.1	3.7	3.4	3.3	3.2	4.5	5.9	4.5	5.0
Los Banos	10.0%	195.6	214.8	224.6	198.8	221.7	206.0	203.3	216.0	219.5	288.0	312.1
Merced	10.0%	760.5	910.8	816.7	901.6	904.2	745.1	717.5	803.3	883.4	990.0	*1,874.4

*Includes late payments from 2013 and 2014.

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	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MODOC COUNTY												
Unincorporated	4.0%	27.6	30.2	32.1	33.1	33.0	31.6	37.2	33.9	30.6	34.8	38.0
Alturas	10.0%	133.7	136.4	129.6	148.4	123.5	119.8	133.9	126.7	125.1	132.3	150.3
MONO COUNTY												
Unincorporated	12.0%	2,133.7	2,460.7	2,486.3	2,688.4	2,512.8	2,436.8	2,323.0	2,470.1	2,413.7	2,598.3	2,741.6
Mammoth Lakes	13.0%	9,614.4	10,669.2	9,685.7	10,653.9	9,693.6	10,472.7	11,195.7	9,924.2	11,712.4	10,479.1	11,406.1
MONTEREY COUNTY												
Unincorporated	10.5%	16,205.1	15,733.7	16,912.3	16,433.3	14,540.3	13,002.2	13,779.0	16,645.5	17,945.5	19,325.0	21,496.1
Carmel-By-The-Sea	10.0%	3,612.0	3,879.1	4,209.3	4,395.3	3,787.1	3,830.4	4,002.5	4,177.7	4,615.6	5,127.3	5,588.5
Gonzales	8.0%	2.4	3.0	2.8	2.4	2.3	1.5	1.2	1.9	1.6	2.0	1.7
Greenfield	8.0%	12.1	10.8	11.5	12.8	12.9	12.4	11.8	11.6	12.2	0.0	14.3
King City	10.0%	237.7	233.0	267.3	299.3	332.6	275.7	253.4	284.7	326.5	333.7	346.5
Marina	12.0%	1,179.9	1,254.3	1,397.2	1,525.1	1,374.7	1,368.3	1,458.2	1,876.5	1,931.8	2,125.0	2,425.8
Monterey	10.0%	13,628.0	14,191.8	15,172.0	15,870.6	14,796.3	14,702.9	14,655.4	16,536.9	17,601.1	19,325.0	20,828.0
Pacific Grove	10.0%	3,275.1	2,820.4	3,219.4	3,282.5	3,295.7	3,070.9	2,891.1	3,141.8	3,359.7	3,156.6	3,638.5
Salinas	10.0%	1,477.5	1,618.1	1,548.6	1,659.3	1,697.7	1,529.7	1,604.2	1,749.2	2,036.8	1,852.3	2,432.3
Seaside	12.0%	1,830.4	2,074.6	2,074.1	2,245.9	1,941.1	1,733.2	1,778.6	2,024.9	2,092.4	2,419.9	2,665.7
Soledad	6.0%	94.9	88.3	93.1	125.9	93.9	68.9	71.9	71.0	71.3	72.5	77.7
NAPA COUNTY												
Unincorporated	12.0%	5,744.0	7,045.3	8,489.4	9,681.8	8,452.1	7,548.6	8,299.3	9,226.6	9,673.4	11,689.0	13,792.1
Americn Canyon	12.0%	119.3	216.7	230.3	462.4	459.6	557.4	784.1	1,089.9	1,200.6	1,249.2	1,405.6
Calistoga	12.0%	2,257.4	2,335.1	2,522.0	3,402.2	3,208.6	3,042.3	3,431.4	3,768.4	3,948.8	4,456.5	5,037.1
Napa	12.0%	5,697.1	6,248.6	7,779.4	8,723.5	8,174.8	8,256.2	9,872.0	11,504.8	12,773.5	15,167.5	15,868.7
St. Helena	12.0%	1,163.4	1,306.3	1,492.8	1,560.4	1,125.4	1,193.9	1,465.2	1,521.0	1,307.6	1,731.7	1,842.2
Yountville	12.0%	2,842.5	3,053.8	3,231.8	3,381.7	3,149.9	3,069.0	4,035.4	4,291.8	5,678.0	6,261.5	6,551.3
NEVADA COUNTY												
Unincorporated	10.0%	177.6	209.2	275.7	285.2	184.9	277.7	257.1	232.7	276.7	235.8	363.2
Grass Valley	10.0%	425.4	475.7	525.4	633.1	545.3	482.1	582.7	657.3	516.0	691.8	816.3
Nevada City	10.0%	353.4	333.7	344.4	294.2	203.4	180.3	186.9	267.7	270.4	340.8	287.6
Truckee	10.0%	1,010.4	1,184.5	1,295.9	1,434.8	1,334.0	1,431.9	1,436.1	1,350.7	1,718.4	1,846.7	2,121.0
ORANGE COUNTY												
Unincorporated	10.0%	205.6	156.9	144.5	129.2	159.4	133.1	150.8	36.7			
Anaheim	15.0%	67,140.9	75,482.0	83,913.5	87,183.5	80,054.7	77,138.5	82,605.0	90,375.5	102,936.1	101,041.7	118,099.0

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ORANGE COUNTY												
Brea	10.0%	1,182.7	1,299.3	1,251.2	1,313.8	1,213.4	1,176.3	1,227.2	1,280.6	1,401.1	1,513.2	1,500.0
Buena Park	12.0%	4,338.2	5,091.3	4,977.2	4,754.2	3,959.4	3,697.5	3,816.3	3,919.9	4,403.2	5,002.0	5,674.8
Costa Mesa	8.0%	4,641.4	5,465.3	5,959.6	5,791.0	4,719.2	4,269.0	5,345.0	6,524.5	7,257.7	7,676.1	7,995.2
Cypress	10.0%	1,499.6	1,734.6	1,935.7	2,041.7	1,669.6	1,514.4	1,760.0	2,098.3	1,926.3	1,980.2	2,209.9
Dana Point	10.0%	7,763.4	9,532.9	10,888.0	11,298.5	8,630.2	7,221.1	8,338.1	9,382.3	10,086.4	11,122.0	12,466.0
Fountain Valley	9.0%	752.5	817.8	883.1	850.9	737.6	616.4	732.5	744.1	899.8	1,014.6	1,278.4
Fullerton	10.0%	1,739.1	2,076.2	2,120.5	1,935.0	1,639.4	1,571.1	1,754.4	1,898.4	2,067.8	2,249.2	2,417.6
Garden Grove	14.5%	9,820.5	11,410.8	12,179.5	12,673.0	10,977.7	9,805.2	11,133.8	11,648.4	13,626.1	16,353.0	17,219.3
Huntington Beach	10.0%	5,465.6	5,948.9	6,573.5	6,688.4	5,416.6	5,819.8	6,470.5	7,203.5	7,629.6	8,440.5	9,214.7
Irvine	8.0%	7,295.1	8,708.1	9,395.9	9,108.0	7,752.6	7,268.0	8,293.6	8,488.6	9,005.0	9,314.5	10,594.3
La Palma	8.0%	212.6	245.0	279.4	291.3	238.8	198.2	216.4	227.5	258.0	378.2	433.9
Laguna Beach	10.0%	7,251.9	7,900.6	8,661.0	8,741.4	7,857.0	6,759.4	7,073.3	7,904.6	8,537.1	9,277.6	9,979.5
Laguna Hills	10.0%	980.6	1,156.4	1,228.0	1,219.6	915.8	752.5	869.5	1,004.5	1,108.3	1,203.4	1,285.5
Laguna Niguel	8.0%	42.0	47.6	45.2	42.2	29.3	24.5	29.5	32.6	29.4	33.9	42.9
Lake Forest	10.0%	1,789.2	2,168.9	2,657.3	2,813.8	2,208.7	1,939.3	2,439.4	2,670.4	2,823.5	3,140.5	3,406.7
Los Alamitos	8.0%	72.2	73.1	92.7	100.8	77.9	69.6	80.1	87.8	103.7	112.9	132.2
Mission Viejo	8.0%	404.2	536.7	581.3	589.2	475.6	520.1	594.3	608.3	630.1	749.3	836.2
Newport Beach	10.0%	11,644.8	12,196.7	13,133.3	13,562.4	13,585.3	12,541.6	15,854.7	17,976.1	16,500.3	18,176.0	20,364.5
Orange	10.0%	2,790.2	3,240.3	3,243.0	3,229.9	2,763.2	2,723.9	3,168.9	3,439.7	3,819.2	3,848.7	4,541.8
Placentia	10.0%	603.1	706.6	756.0	762.0	618.4	562.2	647.0	620.5	787.6	820.0	770.0
San Clemente	10.0%	1,161.4	1,264.5	1,362.0	1,465.9	1,309.6	1,371.9	1,460.9	1,541.2	1,587.6	1,781.4	2,220.4
San Juan Capistrano	10.0%	213.5	250.3	259.2	245.8	197.9	162.1	175.4	313.8	618.1	681.1	801.4
Santa Ana	11.0%	5,469.6	7,187.3	7,442.4	7,713.8	6,148.8	5,650.4	5,970.3	7,024.4	7,490.3	8,519.2	8,983.0
Seal Beach	12.0%	623.8	669.2	894.8	1,066.0	1,198.4	1,108.8	1,221.5	970.3	1,289.0	1,509.1	1,525.7
Stanton	8.0%	310.7	327.6	357.4	358.5	316.8	289.9	326.3	357.1	341.8	323.9	383.8
Tustin	6.0%	139.9	155.2	161.1	163.8	154.4	141.3	142.9	137.1	137.1	1,090.7	616.9
Westminster	8.0%	483.8	537.9	571.7	568.3	523.1	451.6	496.3	510.7	593.2	608.6	713.8
Yorba Linda	10.0%	354.5	387.2	407.7	408.4	331.6	273.9	317.6	354.8	400.5	434.6	442.7
PLACER COUNTY												
Unincorporated	8.0%	8,069.0	7,770.5	8,538.8	9,368.1	8,878.2	9,070.7	10,644.7	10,474.4	11,626.3	12,013.0	12,082.3
Auburn	8.0%	215.6	220.4	224.8	238.6	212.7	180.6	198.0	211.2	209.2	226.3	241.2

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PLACER COUNTY												
Colfax	8.0%	12.8	14.1	14.2	16.6	14.3	23.0	16.9	19.1	20.7	18.3	13.6
Lincoln	10.0%	16.9	0.0	0.0	26.8	0.0	360.1	117.1	193.3	145.0	232.4	260.0
Loomis	8.0%	38.0	37.1	43.9	43.7	44.3	37.0	29.9	29.6	36.9	17.7	9.5
Rocklin	8.0%	542.2	604.6	417.7	483.2	362.7	344.8	383.6	395.7	403.2	474.4	546.5
Roseville	6.0%	1,512.2	1,797.2	1,908.7	1,880.1	1,677.4	1,590.4	1,759.1	1,897.4	2,078.8	2,281.4	2,066.7
PLUMAS COUNTY												
Unincorporated	9.0%	1,087.6	1,076.3	1,057.6	1,142.7	1,152.3	1,019.7	1,041.6	1,139.1	1,216.7	1,232.7	1,271.1
Portola	9.0%	16.8	16.3	12.6	12.3	17.8	29.2	35.1	40.8	33.2	407.0	28.6
RIVERSIDE COUNTY												
Unincorporated	10.0%	1,461.0	1,657.3	1,797.5	1,873.7	1,670.5	1,414.7	1,404.0	1,423.2	1,843.7	2,137.3	2,398.7
Banning	12.0%	192.6	188.0	195.2	229.8	223.4	331.6	504.6	573.1	626.3	674.5	726.3
Beaumont	10.0%	144.8	100.4	144.4	161.0	193.9	181.0	185.9	194.4	235.7	196.1	225.6
Blythe	10.0%	813.4	888.7	897.5	1,025.6	817.6	794.1	700.1	899.4	1,147.0	981.5	949.0
Calimesa	10.0%	22.2	18.2	18.1	35.6	32.4	28.5	26.5	29.4	35.7	34.0	41.2
Canyon Lake	10.0%	24.4	27.9	35.8	27.9	25.9	27.3	34.5	35.3	36.1	41.3	50.7
Cathedral City	12.0%	1,296.0	1,426.3	1,575.3	1,632.0	1,150.4	1,023.2	999.4	1,135.8	1,113.6	1,340.0	1,447.1
Corona	10.0%	1,088.5	1,366.0	1,387.3	1,508.6	1,175.1	1,096.9	1,184.2	1,306.5	1,598.8	1,655.8	1,787.1
Desert Hot Springs	12.0%	812.3	904.8	966.0	1,012.8	983.4	892.4	1,088.4	1,148.6	1,235.4	1,313.9	1,351.8
Hemet	10.0%	606.2	848.6	991.6	947.4	659.8	620.9	602.8	557.2	626.0	643.4	737.7
Indian Wells	11.3%	4,656.4	5,352.9	5,940.7	5,874.1	4,804.5	4,294.1	4,805.1	5,690.0	6,341.8	6,406.2	6,735.0
Indio	10.0%	1,220.2	1,331.1	1,818.4	2,070.2	1,941.6	1,845.3	1,944.6	2,546.7	2,820.4	3,077.9	3,906.8
La Quinta	11.0%	4,831.3	5,543.4	5,567.2	5,498.9	4,480.5	4,175.2	4,725.1	5,550.0	5,988.7	6,285.6	6,614.8
Lake Elsinore	10.0%	127.8	157.1	171.9	222.9	237.3	272.2	275.1	313.3	275.0	462.2	451.5
Moreno Valley	8.0%	519.2	520.1	586.4	593.0	497.9	535.8	692.6	747.1	831.9	991.4	1,197.1
Norco	11.0%	68.6	87.3	82.1	84.8	145.0	173.3	190.2	223.7	257.3	295.6	427.3
Palm Desert	9.0%	8,241.9	8,687.3	9,410.0	9,487.1	7,979.9	8,331.4	8,614.3	9,195.5	10,481.8	9,810.3	10,723.4
Palm Springs	13.5%	13,100.7	14,737.2	14,494.0	14,484.3	12,828.7	13,448.1	15,797.3	18,105.9	19,619.6	22,297.5	25,487.2
Perris	10.0%	104.1	113.3	77.4	47.3	74.3	64.2	59.6	121.0	71.9	65.7	136.7
Rancho Mirage	10.0%	5,645.0	5,835.2	5,176.8	5,157.3	4,634.4	3,892.3	4,302.0	4,925.3	5,168.2	5,682.0	7,836.7
Riverside	13.0%	3,418.1	3,574.2	3,553.9	3,686.5	2,907.0	2,488.3	2,732.2	2,995.3	3,703.4	4,189.4	5,279.7
San Jacinto	8.0%	22.8	28.9	27.9	28.3	20.0	19.5	18.1	18.0	20.2	26.5	34.1
Temecula	8.0%	1,849.8	2,085.1	2,284.2	2,417.7	2,088.8	1,962.0	2,168.7	2,400.0	2,504.6	2,716.9	3,008.1

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SACRAMENTO COUNTY												
Unincorporated	12.0%	6,396.0	6,962.3	7,176.2	6,963.8	5,311.0	4,467.3	3,952.6	3,383.0	3,878.2	4,258.3	4,563.0
Citrus Heights	12.0%	30.6	25.4	17.1	17.2	19.5	17.0	16.8	17.2	18.5	19.5	15.7
Folsom	8.0%	1,074.2	1,457.5	1,408.4	1,358.6	1,156.1	1,109.4	1,152.7	1,235.2	1,366.3	1,461.9	1,564.9
Galt	10.0%	129.4	126.3	147.7	165.7	155.9	135.2	131.2	139.1	142.8	213.9	215.4
Rancho Cordova	12.0%	2,494.0	2,581.4	2,528.2	2,518.8	2,183.5	1,821.6	2,514.9	2,625.8	2,636.9	4,123.9	4,548.0
Sacramento	12.0%	17,277.0	18,503.0	20,710.0	21,047.0	19,022.0	17,079.0	18,522.0	18,894.0	19,867.0	21,444.4	23,810.4
SAN BENITO COUNTY												
Unincorporated	8.0%	90.3	86.1	79.6	85.7	73.1	82.0	80.1	85.5	91.6	93.1	83.1
Hollister	8.0%	97.3	97.2	135.3	118.2	113.6	119.2	104.5	123.3	128.2	151.6	178.5
San Juan Bautista	12.0%	96.8	84.2	86.8	71.4	57.6	37.4	31.9	38.4	61.9	52.7	70.9
SAN BERNARDINO COUNTY												
Unincorporated	7.0%	1,181.5	1,181.9	1,359.8	1,340.7	1,436.2	1,340.0	1,286.2	1,501.0	1,519.1	1,696.7	2,071.3
Adelanto	10.0%	31.9	14.9	19.3	26.1	5.2	28.5	26.6	24.4	24.3	15.7	
Apple Valley	7.0%	13.4	13.3	17.0	11.7	8.7	7.4	6.1	6.7	7.2	7.7	6.9
Barstow	12.5%	1,961.5	2,234.6	2,281.5	2,455.0	2,484.2	2,392.6	2,542.0	2,626.4	2,649.7	2,748.8	2,892.2
Big Bear Lake	8.0%	2,243.6	2,370.3	2,481.8	2,571.3	2,468.4	2,935.5	3,067.7	3,176.9	3,497.0	2,561.6	2,964.5
Chino	8.0%	223.2	321.0	315.6	328.2	254.1	192.0	220.3	228.3	281.8	267.9	295.6
Colton	10.0%	406.2	570.5	416.8	493.6	397.4	292.7	369.6	345.8	500.6	566.8	
Fontana	8.0%	398.6	405.2	427.7	459.6	395.8	467.0	573.7	558.1	587.5	704.1	715.6
Hesperia	10.0%	428.3	573.2	695.1	731.6	608.0	807.4	843.1	965.5	836.7	1,040.3	1,163.4
Highland	7.0%	42.3	48.3	49.4	41.7	123.2	167.2	178.7	204.3	228.5	249.7	264.6
Loma Linda	10.0%	3.2	57.7	68.0	68.9	69.9	58.9	57.3	52.9	40.8	32.2	40.2
Montclair	10.0%	21.2	35.1	24.5	29.8	33.5	30.9	33.0	30.7	28.6	29.8	30.5
Needles	10.0%	570.0	657.9	610.6	511.2	469.7	438.2	454.1	499.3	522.2	589.2	591.5
Ontario	11.8%	10,495.3	11,068.7	11,013.0	11,025.4	9,367.5	8,398.1	8,790.2	9,149.0	9,731.1	10,614.2	12,057.7
Rancho Cucamonga	10.0%	191.2	629.0	1,745.1	1,762.3	1,694.5	1,586.7	1,827.4	1,927.8	2,056.6	2,554.6	2,729.3
Redlands	10.0%	612.3	641.7	920.6	836.7	761.5	752.3	765.6	819.9	920.7	948.2	1,064.2
Rialto	9.0%	203.3	208.1	198.6	151.6	143.9	92.7	96.7	127.9	148.9	152.7	194.7
San Bernardino	10.0%	2,978.2	2,907.8	3,033.0	3,262.1	2,517.1	2,222.1	2,507.3	2,217.3	2,689.2	0.0	3,395.8
Twentynine Palms	9.0%	479.3	596.2	737.6	770.2	857.5	901.9	979.5	1,036.1	892.6	816.0	856.8
Upland	10.0%	213.1	192.2	183.4	150.0	106.2	93.7	98.6	97.2	110.0	116.6	148.0

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SAN BERNARDINO COUNTY												
Victorville	7.0%	760.5	895.3	950.4	964.1	784.3	764.9	722.6	705.0	816.9	881.3	1,064.0
Yucaipa	7.0%	21.8	22.3	21.0	19.4	18.6	15.3	13.7	12.4	15.9	17.7	18.3
Yucca Valley	7.0%	140.0	130.0	133.6	164.1	172.6	144.5	164.6	188.4	147.2	134.1	253.6
SAN DIEGO COUNTY												
Unincorporated	8.0%	3,369.7	3,180.4	3,387.2	3,473.8	2,828.0	2,423.4	2,448.8	2,579.4	2,647.0	3,403.8	4,166.4
Carlsbad	10.0%	10,072.3	11,512.6	12,929.0	14,277.4	12,752.4	11,490.5	11,568.6	12,872.4	14,702.4	17,284.0	18,153.7
Chula Vista	10.0%	2,268.9	2,336.2	2,551.6	2,697.3	2,302.4	2,036.4	2,058.9	2,295.7	2,471.3	2,696.3	3,106.6
Coronado	10.0%	8,409.0	8,714.1	9,066.5	11,175.7	8,492.4	7,623.5	8,320.1	8,902.9	10,366.3	12,442.9	13,763.7
Del Mar	11.5%	1,488.9	1,564.6	1,682.3	1,319.1	1,418.3	1,505.5	1,704.7	1,805.5	1,939.7	2,101.6	2,444.3
El Cajon	10.0%	1,016.0	1,092.0	1,119.8	1,127.8	925.9	824.7	900.3	1,046.2	1,057.2	1,140.2	1,323.7
Encinitas	10.0%	988.5	1,095.0	1,089.1	1,182.8	1,099.8	1,179.8	1,280.1	1,411.6	1,489.7	1,568.1	1,823.8
Escondido	10.0%	1,174.3	1,157.8	1,267.1	1,322.7	1,120.2	954.5	1,025.1	1,203.2	1,228.0	1,322.0	1,435.4
Imperial Beach	10.0%	279.8	265.4	236.1	209.0	148.5	163.7	224.2	230.9	193.5	386.4	640.0
La Mesa	10.0%	830.6	872.3	902.6	939.0	817.4	807.5	917.1	910.4	957.2	1,038.4	1,148.3
Lemon Grove	6.0%	31.4	31.1	31.5	35.7	32.6	30.1	31.5	35.6	36.8	39.4	44.5
National City	10.0%	891.4	618.4	821.2	748.2	630.0	708.8	758.7	887.8	896.2	1,082.3	1,383.8
Oceanside	10.0%	2,231.2	2,717.7	2,742.2	3,389.7	3,889.2	3,184.6	3,325.8	3,817.2	4,239.2	4,707.5	5,950.7
Poway	10.0%	167.7	190.1	202.8	206.3	247.8	367.4	433.9	462.5	483.6	523.1	573.5
San Diego	10.5%	120,792.0	136,803.0	154,810.0	159,348.0	140,657.0	123,332.0	140,752.0	148,184.0	158,105.0	170,330.4	186,158.5
San Marcos	10.0%	282.9	327.6	363.9	383.0	330.4	298.5	610.5	713.5	736.0	794.8	829.7
Santee	10.0%	124.0	118.7	128.8	126.5	115.3	100.3	106.4	114.6	206.9	385.8	431.5
Solana Beach	13.0%	783.5	919.6	1,058.1	1,165.4	1,015.0	929.8	978.8	1,118.6	1,186.2	1,220.1	1,467.4
Vista	10.0%	365.6	404.5	400.7	436.6	355.9	329.8	546.1	595.5	981.9	1,118.6	1,263.0
SAN FRANCISCO COUNTY												
San Francisco	14.0%	151,993.0	173,923.0	194,290.0	219,089.0	214,460.0	186,849.0	209,962.0	239,567.0	238,782.0	310,052.0	394,262.2
SAN JOAQUIN COUNTY												
Unincorporated	8.0%	338.0	387.4	410.2	441.8	372.8	289.8	279.7	322.7	319.8	337.8	387.3
Escalon	10.0%	3.5	2.2	1.4	2.2	1.4	2.6	1.7	2.4	2.6	2.3	3.5
Lathrop	9.0%	147.4	158.6	220.1	257.7	267.4	205.2	231.1	232.2	466.3	468.7	505.7
Lodi	6.0%	352.5	368.2	380.3	395.9	405.5	382.4	425.9	486.2	545.4	593.8	666.4
Manteca	9.0%	461.2	476.9	445.9	454.3	421.1	344.1	482.8	507.7	634.4	133.2	109.1

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SAN JOAQUIN COUNTY												
Ripon	10.0%	4.1	7.9	85.7	87.7	85.6	71.5	83.8	99.5	97.5	100.6	112.6
Stockton	8.0%	2,160.4	2,171.4	2,180.0	2,286.6	1,962.1	1,748.5	1,799.0	1,933.0	2,006.0	2,080.0	2,378.0
Tracy	10.0%	777.9	709.2	795.2	814.9	721.6	642.8	675.8	746.0	786.8	974.3	1,117.4
SAN LUIS OBISPO COUNTY												
Unincorporated	9.0%	4,798.9	5,339.0	6,125.9	6,539.5	6,137.3	5,582.4	6,342.0	6,449.8	7,710.9	8,063.2	8,811.1
Arroyo Grande	10.0%	390.7	435.0	449.5	437.2	389.1	348.0	390.5	630.4	746.3	840.6	922.2
Atascadero	10.0%	386.2	479.5	478.6	407.6	418.6	409.2	525.5	638.1	704.0	779.4	900.1
El Paso De Robles	12.0%	1,446.1	1,614.3	2,025.9	2,519.1	2,692.9	2,735.0	2,998.5	3,229.9	3,350.0	4,174.0	5,024.5
Grover Beach	10.0%	180.7	220.4	238.5	232.9	230.8	220.4	220.3	260.8	273.4	248.7	333.3
Morro Bay	10.0%	1,663.4	1,805.6	1,967.1	1,955.9	1,908.2	2,208.1	2,287.0	2,783.7	2,802.7	2,542.4	2,902.1
Pismo Beach	10.0%	4,921.4	5,295.5	5,912.4	6,175.0	5,906.8	5,779.6	6,269.6	6,931.2	7,279.5	7,988.2	8,682.1
San Luis Obispo	10.0%	4,079.8	4,539.2	4,786.0	5,054.7	4,679.5	4,501.8	4,844.2	5,222.0	5,572.4	8,063.2	8,811.1
SAN MATEO COUNTY												
Unincorporated	10.0%	700.2	771.6	907.4	749.6	936.8	873.1	978.8	1,104.6	1,242.3	1,393.6	1,552.2
Belmont	10.0%	885.1	1,011.5	1,089.0	1,199.8	1,025.0	891.5	1,114.8	1,359.4	1,571.9	1,722.8	1,947.1
Brisbane	12.0%	550.4	913.6	999.0	1,096.7	941.7	969.4	1,306.1	1,560.0	1,668.3	2,037.8	2,444.2
Burlingame	12.0%	8,066.7	9,273.4	10,355.4	11,264.6	10,155.0	10,341.6	13,404.1	16,183.2	18,244.3	31,357.1	23,698.4
Daly City	10.0%	294.5	397.7	457.4	531.7	496.3	460.8	532.7	635.2	690.5	787.2	946.0
Foster City	9.5%	887.5	1,080.9	1,237.8	1,415.4	1,263.1	1,175.5	1,341.2	1,730.0	2,015.9	2,109.2	2,581.2
Half Moon Bay	12.0%	2,838.3	3,134.0	3,383.0	3,743.0	3,543.1	3,394.6	3,732.4	4,230.9	4,524.6	4,950.1	5,430.5
Menlo Park	12.0%	1,101.9	1,237.7	1,375.9	1,474.1	1,351.6	2,074.5	2,454.0	2,939.5	3,468.3	4,158.8	4,720.2
Millbrae	12.0%	2,122.4	2,417.6	2,929.4	3,269.5	2,807.4	2,865.0	3,686.4	3,928.1	4,808.6	6,137.0	7,467.0
Pacifica	10.0%	0.0	926.4	795.5	922.4	843.2	708.7	776.2	1,118.0	1,276.6	1,485.2	1,695.2
Redwood City	12.0%	2,227.6	2,649.6	2,976.7	3,323.6	2,761.4	2,657.5	2,994.3	3,924.4	4,526.4	5,262.3	6,032.4
San Bruno	12.0%	932.3	1,139.7	1,275.3	1,478.0	1,339.9	1,344.4	1,763.7	2,183.9	2,412.4	2,790.4	3,065.5
San Carlos	10.0%	470.7	626.0	767.0	825.1	750.2	682.8	815.2	943.5	1,120.9	1,270.1	1,396.7
San Mateo	12.0%	3,082.4	3,222.2	3,431.4	4,118.3	3,470.0	3,529.0	4,530.5	5,634.8	6,390.7	5,727.6	6,608.2
So. San Francisco	10.0%	4,518.3	5,469.7	5,959.0	6,783.5	6,478.4	5,820.7	7,191.9	8,619.2	9,659.3	11,174.0	12,947.5

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SANTA BARBARA COUNTY												
Unincorporated	10.0%	4,815.3	5,631.0	6,591.3	7,174.2	6,431.0	5,950.0	6,977.0	7,570.1	6,992.6	7,550.7	8,595.1
Buellton	10.0%	1,033.2	1,142.2	1,273.9	1,290.7	1,223.8	1,164.4	1,193.2	1,239.6	1,344.9	1,610.5	1,830.3
Carpinteria	10.0%	1,177.9	1,243.9	1,452.7	1,415.0	1,326.9	1,262.4	1,306.0	1,421.8	1,631.4	1,924.0	2,370.0
Lompoc	10.0%	1,224.2	1,227.6	1,371.1	1,517.7	1,482.9	1,371.0	1,443.7	1,270.4	1,320.5	1,508.9	1,678.0
Santa Barbara	12.0%	13,297.8	14,438.8	15,408.9	15,522.7	14,469.1	13,757.0	14,951.0	16,394.1	17,611.1	20,184.2	22,523.0
Santa Maria	10.0%	2,237.9	2,220.9	2,373.9	2,522.6	2,201.5	2,116.3	2,363.5	2,441.0	2,532.0	2,844.5	3,224.4
Solvang	12.0%	1,856.7	2,198.1	2,406.0	2,419.6	2,239.3	2,372.3	2,507.9	2,683.6	2,985.5	3,435.3	3,833.6
SANTA CLARA COUNTY												
Unincorporated	8.0%	439.9	412.9	424.1	449.0	406.8	289.4	321.7	370.7	419.8	432.5	674.2
Campbell	12.0%	894.2	1,132.5	1,463.1	1,619.1	1,287.2	1,297.6	2,031.6	2,578.3	2,876.0	3,417.4	4,091.9
Cupertino	12.0%	1,790.9	2,054.9	2,511.2	2,711.6	2,140.3	2,142.1	2,536.5	3,112.9	3,768.5	4,590.2	5,582.1
Gilroy	9.0%	782.1	817.3	908.2	972.7	870.2	889.1	889.1	998.7	1,092.5	1,234.8	1,501.8
Los Altos	11.0%	1,058.0	1,260.3	1,469.9	1,525.1	1,289.7	1,345.9	1,517.6	1,782.0	1,946.5	2,168.6	2,450.5
Los Gatos	10.0%	868.9	1,028.7	1,108.3	1,245.1	966.6	923.8	833.3	1,174.5	1,295.9	1,512.8	1,896.7
Milpitas	10.0%	4,985.9	5,669.2	6,427.3	7,195.8	5,549.9	5,297.3	6,124.2	7,067.4	7,933.2	9,336.3	10,916.6
Morgan Hill	10.0%	956.3	1,029.8	1,110.7	1,195.0	1,020.5	904.2	937.6	1,119.5	1,411.2	1,714.5	2,062.3
Mountain View	10.0%	2,582.8	3,176.7	3,936.4	4,299.0	3,154.9	3,267.0	3,914.0	4,397.5	4,668.3	5,645.2	6,345.1
Palo Alto	14.0%	5,547.0	6,393.0	6,709.0	7,976.0	7,111.0	6,858.0	8,082.0	9,664.0	10,793.7	12,555.0	16,699.0
San Jose	10.0%	15,956.3	19,213.7	21,400.0	23,900.0	19,261.3	17,250.0	18,102.2	22,451.0	25,258.5	29,362.0	36,294.0
Santa Clara	9.5%	7,863.1	9,601.3	10,542.3	11,268.8	9,138.1	8,301.9	9,910.0	11,755.4	13,673.1	15,042.4	17,843.4
Saratoga	10.0%	146.6	163.2	195.3	211.5	151.4	144.2	184.4	205.4	228.2	257.3	309.6
Sunnyvale	10.5%	5,073.8	5,633.2	6,479.8	7,350.3	5,686.2	5,578.2	6,589.4	7,777.6	9,016.1	10,856.8	14,136.5
SANTA CRUZ COUNTY												
Unincorporated	11.0%	3,806.4	3,732.1	4,257.9	4,621.9	3,887.3	3,511.3	4,101.1	4,604.8	4,515.0	5,514.0	6,482.0
Capitola	10.0%	515.5	543.4	604.0	643.5	605.4	591.9	601.7	912.9	1,074.5	1,236.6	1,276.8
Santa Cruz	11.0%	3,067.9	3,385.1	3,750.5	3,685.2	3,723.8	3,860.8	4,227.7	4,739.4	5,558.7	7,059.0	8,228.4
Scotts Valley	10.0%	545.1	689.4	693.8	723.3	520.2	543.9	569.7	712.6	780.6	926.2	1,059.0
Watsonville	10.0%	598.3	606.5	638.7	829.6	625.9	616.8	707.1	829.7	872.9	780.8	889.1

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SHASTA COUNTY												
Unincorporated	10.0%	521.0	672.4	705.3	704.6	595.0	650.6	692.1	738.6	774.3	815.1	856.6
Anderson	10.0%	174.6	208.5	183.0	206.3	297.6	357.3	354.9	349.3	430.4	435.5	491.8
Redding	10.0%	3,512.0	3,747.6	3,966.3	3,957.0	3,625.1	3,497.6	3,615.7	3,837.8	4,100.0	4,126.4	4,357.7
Shasta Lake	10.0%	9.4	8.8	16.3	13.3	9.1	7.8	8.3	5.3	4.9	7.2	8.0
SIERRA COUNTY												
Unincorporated	10.0%	249.3	248.6	289.6	307.7	300.2	285.3	289.3	323.6	343.1	348.7	342.4
SISKIYOU COUNTY												
Unincorporated	8.0%	435.6	444.7	536.4	499.0	461.0	453.5	438.5	470.5	517.3	514.8	522.6
Dorris	0.0%	4.5	5.5	6.5	6.7	5.8	6.0	5.8	6.2	5.4	0.0	0.0
Dunsmuir	10.0%	82.5	79.9	92.1	119.2	111.0	108.9	106.3	98.6	106.5	112.2	111.6
Etna	6.0%	7.1	8.8	8.2	9.5	7.7	5.9	6.3	6.4	6.5	7.4	
Mt. Shasta	10.0%	460.7	485.8	540.4	551.9	504.5	503.1	504.2	510.7	575.8	545.8	635.7
Weed	10.0%			372.5	370.8	323.9	312.4	305.8	299.7	297.9	311.4	361.1
Yreka	10.0%	607.6	592.4	608.8	592.7	626.4	575.6	567.7	626.3	643.4	712.1	811.3
SOLANO COUNTY												
Benecia	9.0%	188.2	196.2	253.2	248.4	233.6	228.2	228.9	297.1	259.6	386.0	425.4
Dixon	9.0%	191.9	166.0	194.3	205.8	200.3	156.5	170.3	172.6	221.1	300.1	349.8
Fairfield	10.0%	1,384.1	1,459.8	1,551.1	1,806.0	1,326.6	1,446.5	1,635.2	1,717.7	1,848.5	2,045.5	2,338.4
Rio Vista	10.0%	21.2	28.2	19.3	24.1	11.2	8.4	27.1	48.5	19.7	14.4	24.9
Vacaville	8.0%	1,097.7	1,173.9	1,313.0	1,249.0	1,159.0	1,159.5	1,191.1	1,232.0	1,332.4	1,204.5	1,403.2
Vallejo	11.0%	1,402.8	1,405.4	1,619.0	1,497.2	1,328.7	1,019.2	1,087.5	1,157.6	1,233.5	1,481.3	1,852.3
SONOMA COUNTY												
Unincorporated	9.0%	5,550.5	6,206.5	7,164.7	7,987.6	7,456.8	7,138.0	7,929.6	8,756.9	9,705.0	11,045.8	12,763.0
Cloverdale	10.0%	76.6	105.6	139.0	164.3	164.9	142.7	145.0	144.3	161.3	191.1	219.7
Healdsburg	12.0%	972.7	1,164.1	1,637.3	1,860.1	1,669.1	1,595.4	1,928.0	2,209.1	2,460.6	2,636.5	2,889.0
Petaluma	10.0%	1,182.9	1,395.6	1,446.0	1,340.3	1,143.5	1,165.6	1,341.7	1,484.8	1,680.8	1,923.2	2,065.4
Rohnert Park	12.0%	1,451.8	1,601.6	1,771.5	1,899.4	1,722.0	1,574.9	1,747.7	1,940.5	2,202.9	2,687.2	2,980.6
Santa Rosa	9.0%	3,011.9	3,554.6	3,876.9	4,055.0	3,459.6	2,862.8	3,183.6	3,654.0	4,284.5	4,360.7	4,889.7
Sebastopol	10.0%	270.4	249.5	406.9	328.8	293.4	238.7	270.0	361.1	395.5	359.9	482.2
Sonoma	10.0%	2,110.3	2,310.9	2,443.0	2,615.5	2,220.3	2,084.5	2,113.4	2,358.7	2,644.6	3,568.7	3,254.9
Windsor	12.0%	422.2	541.3	688.1	745.8	917.6	1,068.0	1,191.5	1,286.5	1,425.8	1,634.0	1,735.4

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STANISLAUS COUNTY												
Unincorporated	8.0%	577.5	589.4	668.0	854.9	835.8	680.8	661.2	755.9	762.8	834.0	894.5
Ceres	5.0%	81.1	91.2	87.3	78.6	72.9	61.0	59.4	60.9	69.6	75.8	84.4
Modesto	9.0%	2,098.3	2,181.5	2,264.7	2,038.3	1,853.7	1,460.6	1,639.8	1,769.1	1,884.2	1,879.8	2,098.0
Oakdale	7.0%	204.9	231.2	249.3	248.8	217.4	162.8	202.8	233.4	220.9	229.4	261.5
Turlock	9.0%	334.7	499.1	526.0	532.2	541.6	638.6	699.6	799.1	901.7	978.6	1,099.7
SUTTER COUNTY												
Yuba City	10.0%	558.2	584.8	664.9	744.1	648.2	530.6	652.0	670.7	673.5	696.1	816.4
TEHAMA COUNTY												
Unincorporated	8.0%	31.5	29.4	29.5	28.0	28.7	30.9	31.9	28.1	33.0	33.9	28.9
Corning	10.0%	357.8	224.2	310.5	433.0	278.0	358.7	266.0	260.7	294.1	299.9	344.5
Red Bluff	10.0%	503.3	561.9	596.9	619.6	562.0	457.7	596.6	594.3	711.3	720.1	835.5
TRINITY COUNTY												
Unincorporated	5.0%	204.2	206.6	190.5	193.5	180.5	164.6	191.0	203.4	221.0	219.1	214.1
TULARE COUNTY												
Unincorporated	10.0%	985.7	1,068.6	1,125.3	1,215.6	1,185.4	1,137.5	1,199.7	1,279.8	1,365.7	1,401.9	1,749.4
Dinuba	10.0%	57.6	74.5	75.7	69.9	96.6	91.3	144.8	133.9	171.7	184.2	226.8
Exeter	8.0%	29.2	31.0	30.8	34.7	32.1	29.6	33.1	36.7	55.2	70.8	84.2
Lindsay	8.0%	9.7	75.8	52.2	55.9	39.3	32.3	0.0	40.7	29.4	43.9	34.3
Porterville	8.0%	253.3	273.6	268.7	319.4	310.8	276.3	301.0	309.6	335.3	371.0	446.8
Tulare	10.0%	665.4	742.3	807.6	838.7	885.6	721.5	844.3	820.0	1,042.4	1,028.8	1,187.9
Visalia	10.0%	1,567.5	1,718.5	1,905.8	2,044.0	1,935.9	1,827.4	1,920.0	2,008.4	2,155.2	2,301.3	2,621.5
TUOLUMNE COUNTY												
Unincorporated	10.0%	1,174.0	1,375.8	1,374.4	1,515.7	1,417.8	1,491.0	1,823.1	2,208.8	2,416.9	2,250.8	2,645.4
Sonora	10.0%	211.0	214.8	227.7	232.1	193.1	230.3	280.4	331.5	375.2	307.1	297.4

California Transient Occupancy Tax by Jurisdiction
Fiscal Year
Amounts in $000

	Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
VENTURA COUNTY												
Unincorporated	8.0%	232.9	235.0	230.5	255.7	235.1	190.6	229.9	251.2	317.2	409.8	495.7
Camarillo	9.0%	1,595.1	1,666.9	1,743.4	1,707.4	1,530.1	1,432.2	1,581.7	1,702.4	1,849.8	2,033.9	2,268.1
Fillmore	10.0%	66.7	66.3	80.2	68.9	69.4	58.9	75.6	89.4	113.8	121.4	106.0
Ojai	10.0%	1,276.0	2,079.6	2,220.0	2,517.3	2,007.6	1,640.3	1,848.3	2,179.8	2,433.9	2,798.2	2,960.5
Oxnard	10.0%	2,445.5	3,309.7	3,550.9	3,618.6	3,328.8	3,060.6	3,293.8	3,402.4	3,826.5	4,228.5	4,234.0
Port Hueneme	10.0%	296.0	262.0	313.6	347.7	324.0	328.8	295.4	326.1	300.5	393.3	455.1
San Buenaventura	10.0%	3,332.7	3,612.9	3,944.0	4,078.2	3,707.6	3,468.3	3,436.0	4,044.7	4,449.6	4,779.5	5,213.4
Santa Paula	10.0%	115.6	117.9	88.4	103.1	92.0	82.4	73.5	82.9	96.5	102.9	110.8
Simi Valley	10.0%	1,157.2	1,552.6	1,546.0	1,487.4	1,281.7	1,133.9	1,218.1	1,289.4	1,344.3	1,410.9	1,604.5
Thousand Oaks	10.0%	2,203.1	2,541.1	2,830.9	2,859.8	2,493.8	2,281.6	2,702.9	2,977.7	3,162.3	3,537.6	3,916.4
YOLO COUNTY												
Unincorporated	8.0%	85.4	83.7	91.0	87.7	102.4	104.8	286.1	279.2	292.8	356.8	487.7
Davis	10.0%	928.1	940.9	1,056.7	1,121.0	1,031.0	912.5	958.4	1,039.4	1,128.9	1,251.8	1,317.6
West Sacramento	12.0%	768.3	918.4	872.3	885.7	863.4	827.1	932.7	900.7	1,018.7	1,128.8	1,289.9
Woodland	11.5%	724.5	865.8	915.4	999.7	855.7	778.0	921.9	916.0	1,009.7		1,134.1
YUBA COUNTY												
Unincorporated	10.0%	191.5	214.0	290.8	306.3	283.6	222.5	244.0	316.0	260.6	285.1	358.0
Marysville	10.0%	71.1	71.1	60.9	70.8	67.1	66.3	75.4	82.8	80.7	93.9	70.1

Reported rates are for last fiscal year.