



TOURISM

TRANSIENT OCCUPANCY TAX REPORT Q2 CY 2007



WITH ACKNOWLEDGMENT AND APPRECIATION TO LOCAL KEY BUSINESSES
SUPPORTING SONOMA COUNTY ECONOMIC DEVELOPMENT:

CHAIRMAN'S CIRCLE:



EXECUTIVE TIER:



ASSOCIATE TIER:

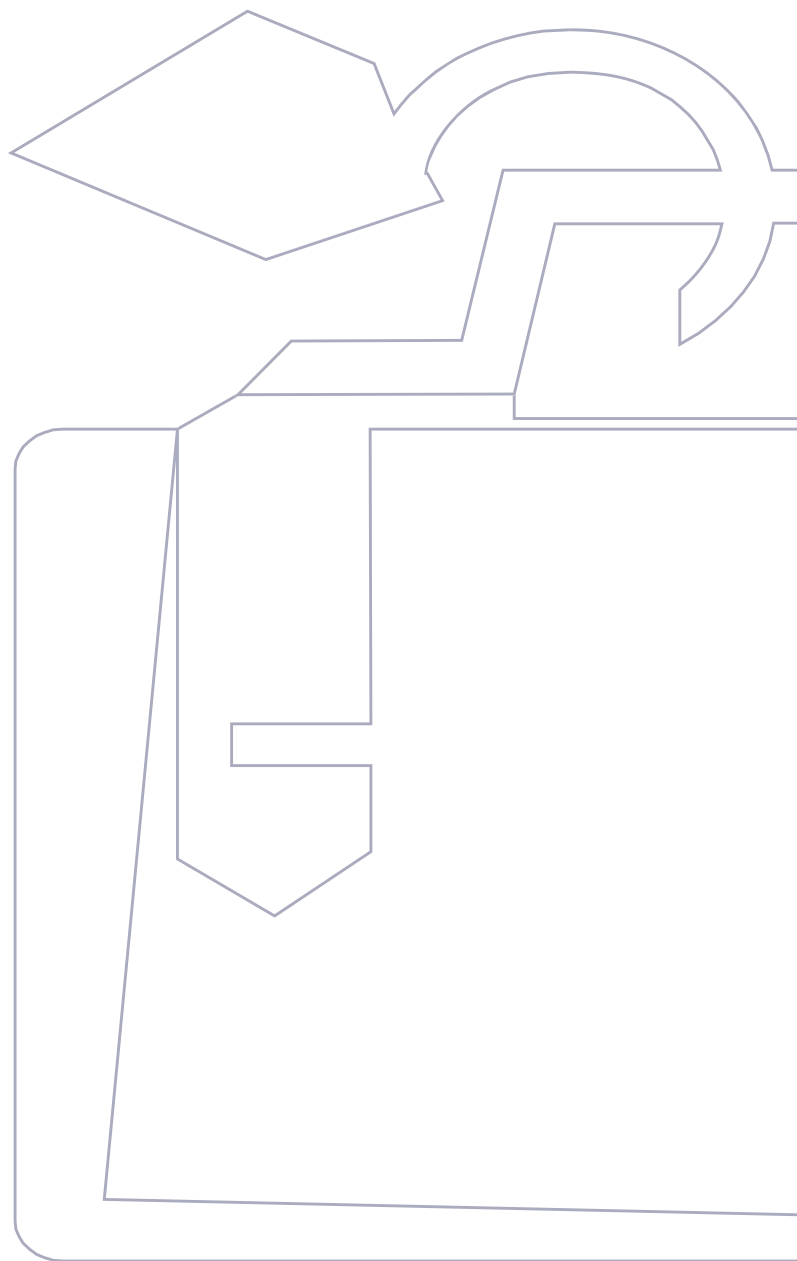


- Sonoma County Permit & Resources Management
- Community Development Commission
- Sonoma County Health Services
- Sonoma County Transportation & Public Works



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A Calendar Year runs from January through December. Each quarter contains three months of the year, beginning with January, February, and March for the first quarter. Please note that this report contains data updated through the second quarter (April, May, June) of 2007.

TRANSIENT OCCUPANCY TAX REPORT

November 2007

The Sonoma County Economic Development Board (EDB), in partnership with the Sonoma County Tourism Bureau (SCTB), is pleased to bring you the 2007 second quarter calendar year (CY) Transient Occupancy Tax (TOT) Report. The analysis drafted by the Sonoma County EDB is based on reports from each jurisdiction within the county.

This report covers the county's TOT revenues, compared with Sonoma County's historical CY numbers, as well as the accommodation development for April, May, and June of 2007.

Highlights from the Second Quarter Transient Occupancy Tax Report include:

- TOT revenues for the second quarter 2007 are up by 15% from last year's second quarter.
- As a whole, TOT revenues have steadily grown over the past eight years reflecting the County's increasing popularity as a tourist destination and the rise of local hotels' average daily rate.
- The number of rooms in Sonoma County are projected to increase by 1,030 rooms, once current lodging property development projects have been completed.
- TOT Percentage Rate Per City:

Cloverdale - 10%	Rohnert Park - 12%	Sonoma - 10%
Healdsburg - 12%	Santa Rosa - 9%	Windsor - 8%
Petaluma - 10%	Sebastopol - 10%	Unincorporated 9%

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

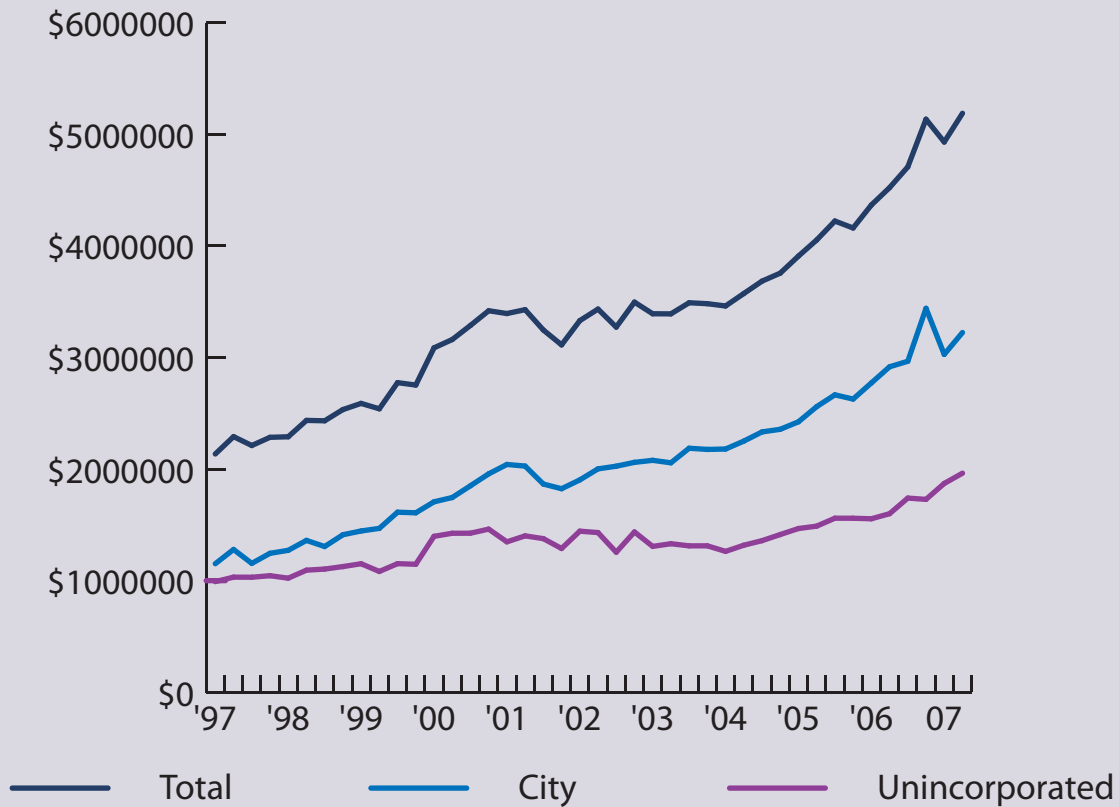
Sincerely,



Ben Stone
Executive Director

All information contained within this report was obtained from sources believed to be accurate, but the Sonoma County Tourism Bureau (SCTB) and the Economic Development Board (EDB) do not guarantee that it is accurate or complete. This report is intended for informational purposes only and does not represent an endorsement of any proposed project by the SCTB or EDB or any of their employees, affiliates, or members. This quarters report was prepared by Tourism Research Project Coordinator, Camille Padilla.

Seasonally-Adjusted TOT Quarterly (CY) Revenues



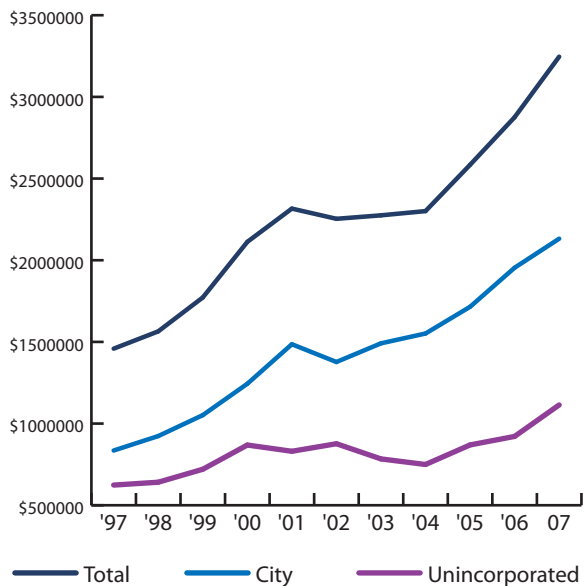
This section analyzes the quarterly TOT trends for the aggregated city and unincorporated areas and the county from first quarter CY 1997- second quarter CY 2007.

Summary of Findings:

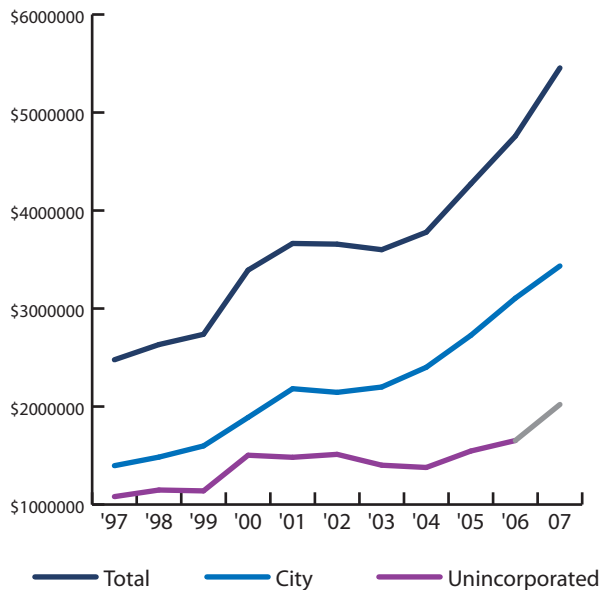
- TOT revenues have grown steadily for the past eight years, with significant increases seen late in the 2006 CY; coming into the 2007 CY TOT revenues are returning to their steady levels of consistent growth.
- This trend reflects Sonoma County’s increasing popularity as a tourist destination and the steady increase in local lodging properties’ average daily rate.
- The 2001-2002 dip in TOT revenues can be attributed to decreased tourism in response to a weakening economy and travel concerns following September 11th.

Transient Occupancy Tax Revenues by Quarter

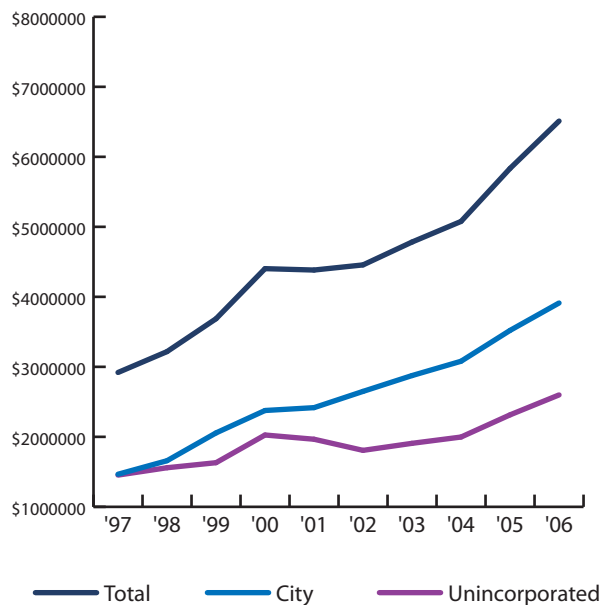
Q1 (CY) Transient Occupancy Tax 1997-2007
January, February, March



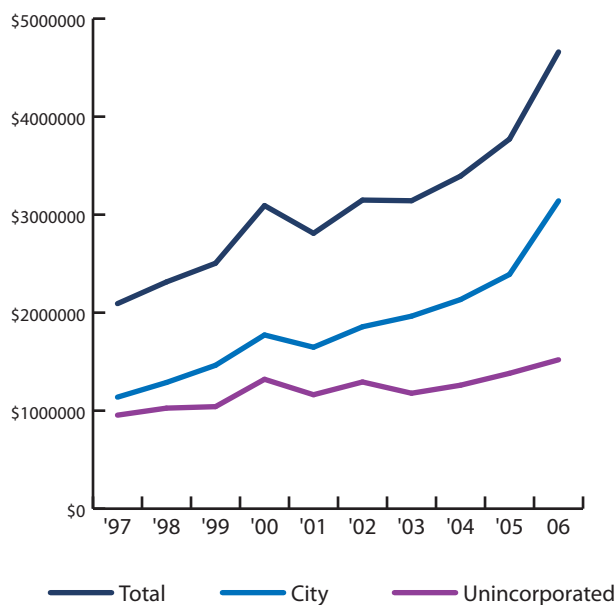
Q2 (CY) Transient Occupancy Tax 1997-2007
April, May, June



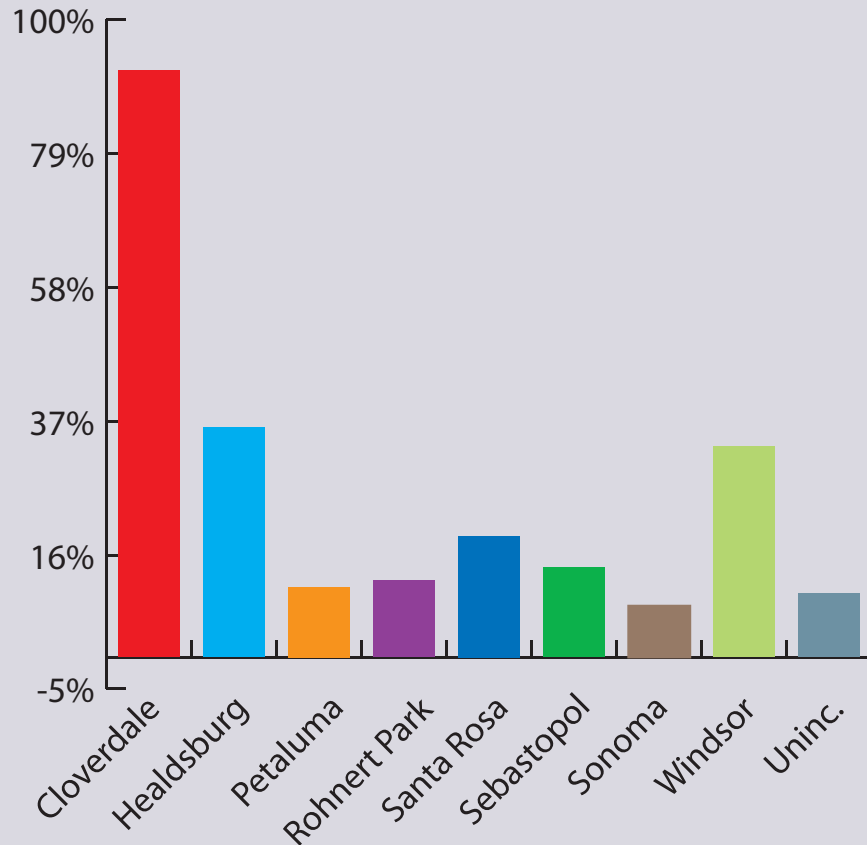
Q3 (CY) Transient Occupancy Tax 1997-2006
July, August, September



Q4 (CY) Transient Occupancy Tax 1997-2006
October, November, December



2005-2006 CY Percent Change in TOT Revenues



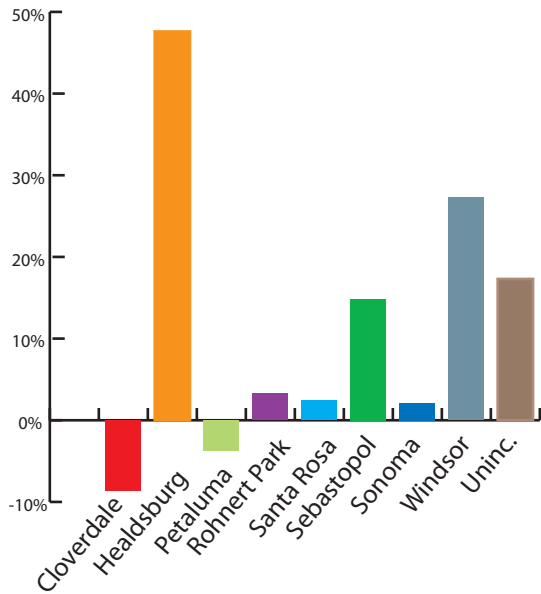
This section shows the annual percentage change in TOT revenues (CY) based on the most recent annual data.

Summary of Findings:

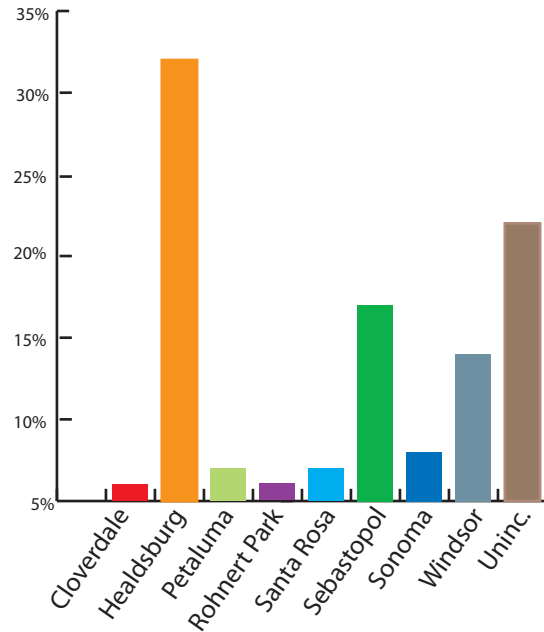
- From 2005 to 2006, with the exception of Sonoma, all cities and the unincorporated areas posted a healthy double-digit percent increase in TOT receipts.
- Despite Cloverdale's moderate percent change from 2004-2005, the most recent data shows a noteworthy 92% increase in annual TOT revenues from 2005 - 2006. This increase is due to the construction of a new property.
- Windsor experienced remarkable TOT growth on the heels of recent industry developments such as the openings of a Trend West and a Holiday Inn. The rest of the cities clustered around the average.

Annual Percent Change in Revenues by Quarter

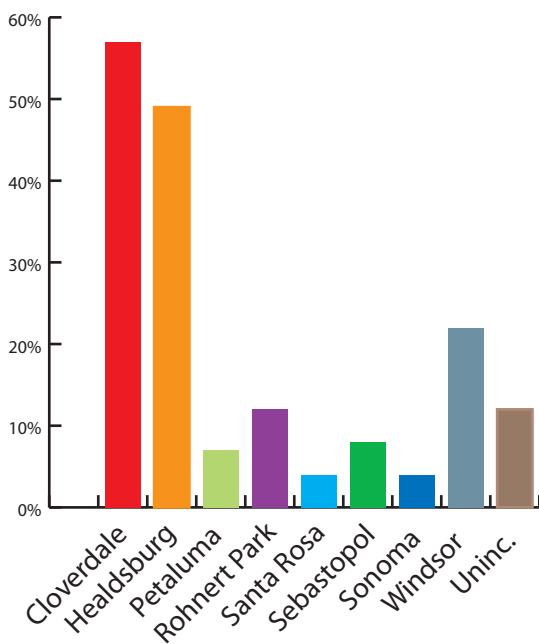
Q1 TOT % Annual Change CY 2006-2007
January, February, March



Q2 TOT % Annual Change CY 2006-2007
April, May, June



Q3 TOT % Annual Change CY 2005-2006
July, August, September



Q4 TOT % Annual Change CY 2005-2006
October, November, December

