

MONTEREY COUNTY TRAVEL IMPACTS 1992-2019P

April 2020

Prepared for the

Monterey County Convention and Visitors Bureau

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INTRODUCTION

This study, prepared for the Monterey County Convention and Visitors Bureau, documents the economic significance of the travel industry in Monterey County from 1992 through 2019. This report provides preliminary 2019 estimates for Monterey County, estimates of selected areas within the county, and a countywide estimate of overnight visitor volume and average spending.

MEASUREMENT OF TRAVEL IMPACTS

The impact estimates associated with traveler spending were measured using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The RTIM was calibrated specifically to represent the unique characteristics of the travel industry in Monterey County. The impact estimates in this report are comparable to those found in the report prepared for the Visit California.¹ The estimates for 2019 are designated as preliminary due to some incomplete source data for the calendar year, however any future revisions will be minor.

INTERPRETATION OF IMPACT ESTIMATES

Users of this report should be aware of several issues regarding the interpretation of reported impact estimates:

- All estimates contained in this report supersede those previously published.
- The estimates in this report are expressed in *current* dollars. There is no adjustment for inflation.
- Economic impact measurements reported herein represent only direct economic impacts. Direct economic impacts include only the spending by travelers and the employment generated by that spending. Secondary effects related to source materials purchased by tourism businesses and the induced spending of their employees are not included.
- The employment estimates in this report are estimates of the total number of full and part-time jobs directly generated by travel spending, rather than the number of individuals employed. Both payroll and self-employment are included in these estimates. Caution should therefore be used in comparing these estimates with other employment data series.

¹ See *California Travel Impacts by County, 2010-2019p*, prepared for Visit California.

RECENT TRAVEL TRENDS IN MONTEREY COUNTY

Travel related spending in Monterey County totaled \$3.241 billion in 2019, a 3.3 percent increase from 2018. Employment grew 1.8% year over year to 27, 120 and total earnings increased by 5.2% to \$1.424 billion. Local level and state level tax receipts increased year over year as well, up 4.3% and 3.3% respectively.

Monterey County Direct Travel Impacts, 1992-2019p

	Spending (\$Million)	Earnings (\$Million)	Employment	Tax Receipts (\$Million)		
				Local	State	Total
1992	1,229	444	18,630	45	56	101
1993	1,260	458	18,870	46	58	104
1994	1,278	456	18,920	47	58	105
1995	1,347	489	19,870	51	62	113
1996	1,508	537	21,010	56	69	125
1997	1,623	557	21,170	60	73	132
1998	1,678	606	21,970	62	74	136
1999	1,857	663	23,350	68	83	151
2000	1,939	680	22,380	71	86	157
2001	1,907	722	22,800	71	84	154
2002	1,886	737	21,950	71	86	157
2003	1,917	740	21,330	73	88	161
2004	1,895	723	20,560	69	89	158
2005	2,031	756	21,170	73	98	170
2006	2,122	802	21,420	81	103	184
2007	2,189	860	21,610	88	106	194
2008	2,182	868	21,330	88	105	193
2009	2,131	870	21,220	87	111	197
2010	2,078	801	19,140	83	112	194
2011	2,274	863	20,510	87	116	202
2012	2,427	951	22,750	94	117	211
2013	2,495	989	23,310	100	123	223
2014	2,602	1,050	23,970	106	129	235
2015	2,702	1,111	24,210	113	131	244
2016	2,759	1,166	24,860	117	130	247
2017	2,820	1,199	24,500	125	126	251
2018	3,136	1,354	26,630	146	139	285
2019p	3,241	1,424	27,120	153	144	296
<i>Annual Percentage Change</i>						
18-19p	3.3%	5.2%	1.8%	4.3%	3.3%	3.8%
92-19p	3.7%	4.4%	1.4%	4.7%	3.6%	4.1%

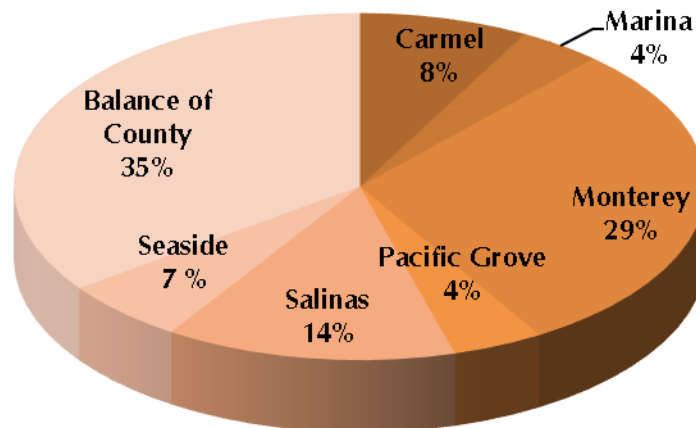
Estimates for 2019 are preliminary while all other figures supersede data from previous reports.

TRAVEL IMPACTS WITHIN MONTEREY COUNTY

Summary breakouts for seven areas within Monterey County are reported below. Based upon room tax receipts reported by individual jurisdictions as well as taxable sales reported by the California Department of Tax and Fee Administration, these figures are reasonable estimates of the distribution of travel impacts within the county. As small area estimates are necessarily less precise than countywide estimates, however, detailed breakouts by accommodation, commodity, and industry are not shown.

Travel Impacts within Monterey County, 2019p

	Spending (\$Million)	Earnings (\$Million)	Employment	Tax Receipts (\$Million)		
				Local	State	Total
Carmel	256	112	2,140	12.0	11.3	23.4
Marina	126	55	1,057	5.9	5.6	11.5
Monterey	957	420	8,009	45.1	42.4	87.5
Pacific Grove	138	61	1,155	6.5	6.1	12.6
Salinas	441	194	3,687	20.7	19.5	40.3
Seaside	190	83	1,589	8.9	8.4	17.4
Balance of County	1,133	498	9,483	53.4	50.2	103.6
Monterey County Total	3,241	1,424	27,120	152.6	143.6	296.3



Note: The area of Seaside also includes a small portion representing Sand City and Del Rey Oaks.

Sources: Dean Runyan Associates, California State Board of Equalization, 2012 Economic Census, and individual taxing jurisdictions.

VISITOR VOLUME AND AVERAGE SPENDING

The following table provides average spending estimates for overnight travelers to Monterey County.

Monterey County Average Visitor Spending, 2019p Overnight Visitors

	Visitor Spending (\$Million)	Travel Party		Person		Length of Stay (nights)	Party Size (persons)
		per day (\$)	per trip (\$)	per day (\$)	per trip (\$)		
Hotel, Motel, STVR	2,281	1,013	2,655	376	986	2.6	2.7
Private Home	205	145	471	68	218	3.2	2.1
Other Overnight	123	106	333	36	114	3.1	2.9
All Overnight	2,609	541	1,568	209	602	2.9	2.6

Notes: Visitor spending breakouts include spending on all travel related commodities within Monterey County. Party size refers to the average number of persons in the travel party and Length of Stay refers to the average number of nights in Monterey County.

Visitor volume estimates for the county are shown below. These estimates are derived from the visitor spending estimates, visitor surveys and lodging data.

Monterey County Overnight Visitor Volume, 2016-2019p

	Person-Days (000)			Party-Days (000)		
	2017	2018	2019p	2017	2018	2019p
Hotel, Motel, STVR	5,689	5,767	6,058	2,090	2,138	2,252
Private Home	3,043	3,065	3,025	1,392	1,423	1,412
Other Overnight	3,220	3,244	3,386	1,106	1,114	1,161
All Overnight	11,952	12,077	12,470	4,588	4,675	4,825

	Person-Trip (000)			Party-Trips (000)		
	2017	2018	2019p	2017	2018	2019p
Hotel, Motel, STVR	2,172	2,202	2,313	798	816	859
Private Home	947	954	942	434	440	435
Other Overnight	1,026	1,033	1,080	351	354	369
All Overnight	4,145	4,190	4,335	1,583	1,610	1,664

Detailed travel impacts for 2015 through 2019p follow.

Monterey County Travel Impacts 2015-2019p

	2015	2016	2017	2018	2019p
Total Direct Travel Spending (\$Million)					
Destination Spending	2,610	2,674	2,726	3,030	3,128
Other Travel*	92	85	95	105	113
Total Direct Spending	2,702	2,759	2,820	3,136	3,241
Visitor Spending by Type of Traveler Accommodation (\$Million)					
Hotel, Motel, STVR	1,893	1,952	1,964	2,214	2,281
Private Home	158	157	173	191	205
Campground	41	42	44	46	50
Vacation Home	58	58	63	72	73
Day Travel	460	465	482	508	519
Destination Spending	2,610	2,674	2,726	3,030	3,128
Visitor Spending by Type of Commodity Purchased (\$Million)					
Accommodations	684	712	716	835	879
Food Service	800	837	859	939	967
Food Stores	73	73	73	76	78
Local Tran. & Gas	224	208	224	261	267
Arts, Ent. & Rec.	358	367	368	393	394
Retail Sales	454	459	469	509	520
Visitor Air Tran.	18	18	17	18	24
Destination Spending	2,610	2,674	2,726	3,030	3,128
Industry Earnings Generated by Travel Spending (\$Million)					
Accom. & Food Serv.	590	637	656	744	788
Arts, Ent. & Rec.	386	388	397	439	453
Retail**	75	77	76	85	85
Ground Tran.	26	28	32	46	54
Visitor Air Tran.	16	16	16	18	20
Other Travel*	19	20	21	22	24
Total Direct Earnings	1,111	1,166	1,199	1,354	1,424
Industry Employment Generated by Travel Spending (Thousand Jobs)					
Accom. & Food Serv.	16.3	16.8	16.6	17.9	18.2
Arts, Ent. & Rec.	4.7	4.8	4.7	5.1	5.4
Retail**	2.2	2.2	2.1	2.3	2.2
Ground Tran.	0.6	0.7	0.7	0.9	1.0
Visitor Air Tran.	0.1	0.1	0.1	0.1	0.1
Other Travel*	0.3	0.3	0.3	0.3	0.3
Total Direct Employment	24.2	24.9	24.5	26.6	27.1
Government Revenue Generated by Travel Spending (\$Million)					
Local Tax Receipts	113	117	125	146	153
Visitor	78	82	88	104	109
Business or Employee	35	35	37	42	43
State Tax Receipts	131	130	126	139	144
Visitor	92	92	92	103	106
Business or Employee	38	38	34	36	37
Total Local & State	244	247	251	285	296

APPENDICES

APPENDIX A. REGIONAL TRAVEL IMPACT MODEL (RTIM) METHODOLOGY

APPENDIX B: TRAVEL IMPACT INDUSTRIES MATCHED TO 2007 NAICS

**REGIONAL TRAVEL IMPACT MODEL (RTIM)
TRAVEL IMPACT ESTIMATION PROCEDURES**

TRAVEL SPENDING

Hotel, Motel, B&B. Spending on commercial accommodations by hotel and motel guests is estimated from transient lodging tax collections at the city/county jurisdictional level.

Campgrounds. Spending by campers using commercial campgrounds is estimated from the number of commercial campsites, the average occupancy of these campsites. Spending by campers using public campgrounds is estimated from visitor counts at federal, state, and locally managed campsites and recreation areas, and the average daily expenditures of visitor camp parties reported in survey data.

Private Home. Spending by private home guests is determined from census data and visitor survey data. The average number of days per year visitors hosted by residents and the average daily spending of these visitors are estimated from visitor survey data.

Vacation Home. The estimated spending by vacation home renters and owners is also based on census data and visitor survey data.

Day Travel. The share of day visits as a percentage of total travel is estimated from visitor survey data and applied to average daily spending estimates to produce day visitor spending.

Spending by visitors in other business categories, such as food and transportation, is estimated using spending distributions reported in the visitor survey data.

RELATED TRAVEL IMPACTS

Spending by travelers generates jobs, payroll, and state and local tax revenue.

Earnings generated directly from traveler expenditures are estimated from a payroll-to-receipts ratio obtained from the 2012 Economic Census and earnings estimates from the Bureau of Economic Analysis.

Employment in each business category is calculated from wage data supplied by the U.S. Department of Labor and earnings estimates from the Bureau of Economic Analysis.

Local Taxes consist of local room taxes and sales taxes attributable to visitor spending and property and sales taxes attributable to travel industry employees and businesses.

State Taxes consist of sales taxes and motor fuel taxes attributable to visitors and income and sales taxes attributable to travel industry employees.

TRAVEL IMPACT INDUSTRIES MATCHED TO 2007 NAICS

TRAVEL IMPACT INDUSTRY	NAICS INDUSTRIES* (code)
Accommodations & Food Services	Accommodations (721) Food Services and Drinking Places (722) Residential Property Managers (531311)
Arts, Entertainment & Recreation	Performing Arts, Spectator Sports (711) Museums (712) Amusement, Gambling (713) Scenic and Sightseeing Transportation (487) Miscellaneous Industries (see note**)
Retail	Food & Beverage Stores (445) Gasoline Stations (447) Clothing and Clothing Accessories Stores (448) Sporting Goods, Hobby, Book, and Music Stores (451) General Merchandise Stores (452) Miscellaneous Store Retailers (453)
Ground Transportation	Interurban and Rural Bus Transportation (4852) Taxi and Limousine Service (4853) Charter Bus Industry (4855) Passenger Car Rental (532111) Parking Lots and Garages (812930)

Notes: *Government enterprises (e.g., park systems) are included in this classification

**Includes parts of industries in other sectors (e.g., accommodation, charter bus).

A more detailed description of these industries can be found at <http://www.ntis.gov/naics>