

The Economic Impact of Travel

Santa Ana, California

2021 Preliminary Estimates

May 2022

PREPARED FOR

Visit Santa Ana



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2021 Preliminary Estimates

Visit Santa Ana

5/19/2022

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*Photo: Visit Santa Ana(Modified by
Dean Runyan Associates)*

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Santa Ana

2021p

Santa Ana / Summary

Travel Impacts 2021p

Santa Ana, Orange County's largest city, is known for its walkable downtown with an emerging arts and culinary scene with a myriad of art galleries, museums theaters, boutiques, and sidewalk cafés.

During 2021, California as a whole continued to recover much of what was lost in 2020. Strong demand for overnight accommodations and increased commodity prices led to large gains in visitor spending. California travel spending grew an estimated 46.3% in 2021.

- Travel spending in Santa Ana increased 84.1% from \$167.2 million in 2020 to \$307.8 million in 2021.
- Direct travel-generated employment gained approximately 130 jobs, a 6.1% increase in travel-generated employment.
- Direct travel-generated earnings gained \$13.1 million, a 15.1% increase.
- Tax receipts generated by travel spending are up 93.7% compared to 2020.
- Without these travel-generated tax receipts, resident households in Santa Ana would need to pay \$278 more a year in state and local taxes to maintain the same level of funding.

California's travel industry **increased 46% in 2021**, whereas Santa Ana's travel economy **grew by 84%.**

Note: These estimates for Santa Ana are subject to revision if more complete data become available.



Photo: Visit Santa Ana (Modified by Dean Runyan Associates)

Santa Ana / Summary Table

Direct Travel Impacts 2017-2021p

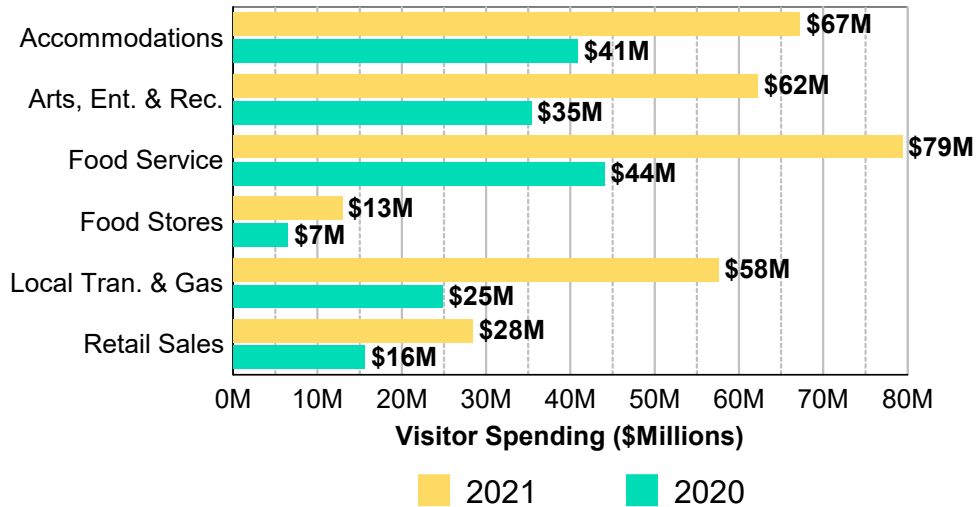
	2017	2018	2019	2020	2021	Avg. Annual % Chg.	
						2020-21	2017-21
Spending (\$Millions)							
Total (Current \$)	403.7	402.2	430.7	167.2	307.8	▲ 84.1%	▼ -6.6%
Visitor	403.7	402.2	430.7	167.2	307.8	▲ 84.1%	▼ -6.6%
Non-transportation	343.3	337.0	360.6	142.4	250.2	▲ 75.8%	▼ -7.6%
Transportation	60.4	65.2	70.1	24.8	57.6	▲ 132.1%	▼ -1.2%
Earnings (\$Millions)							
Earnings (Current \$)	134.8	137.0	148.5	86.9	100.0	▲ 15.1%	▼ -7.2%
Employment (Jobs)							
Employment	3,330	3,360	3,540	2,090	2,220	▲ 6.1%	▼ -9.6%
Tax Revenue (\$Millions)							
Total (Current \$)	24.0	24.7	26.6	11.4	22.0	▲ 93.7%	▼ -2.1%
Local	11.4	11.4	12.1	5.0	9.5	▲ 89.3%	▼ -4.5%
State	12.6	13.3	14.5	6.4	12.6	▲ 97.2%	▲ 0.0%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.



Santa Ana / Spending

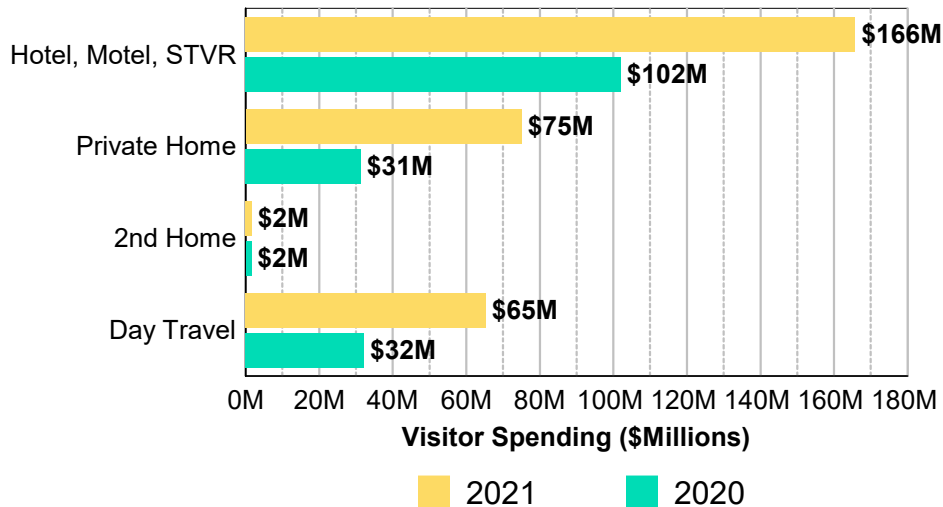
Visitor Spending by Commodity Purchased



The largest gain occurred in Food Service -- \$35.3 million more in travel spending was added in 2021 compared to 2020, an increase of 80.2%.

Sources: City of Santa Ana, Dean Runyan Associates, Omnitrak Group

Visitor Spending by Accommodation Type

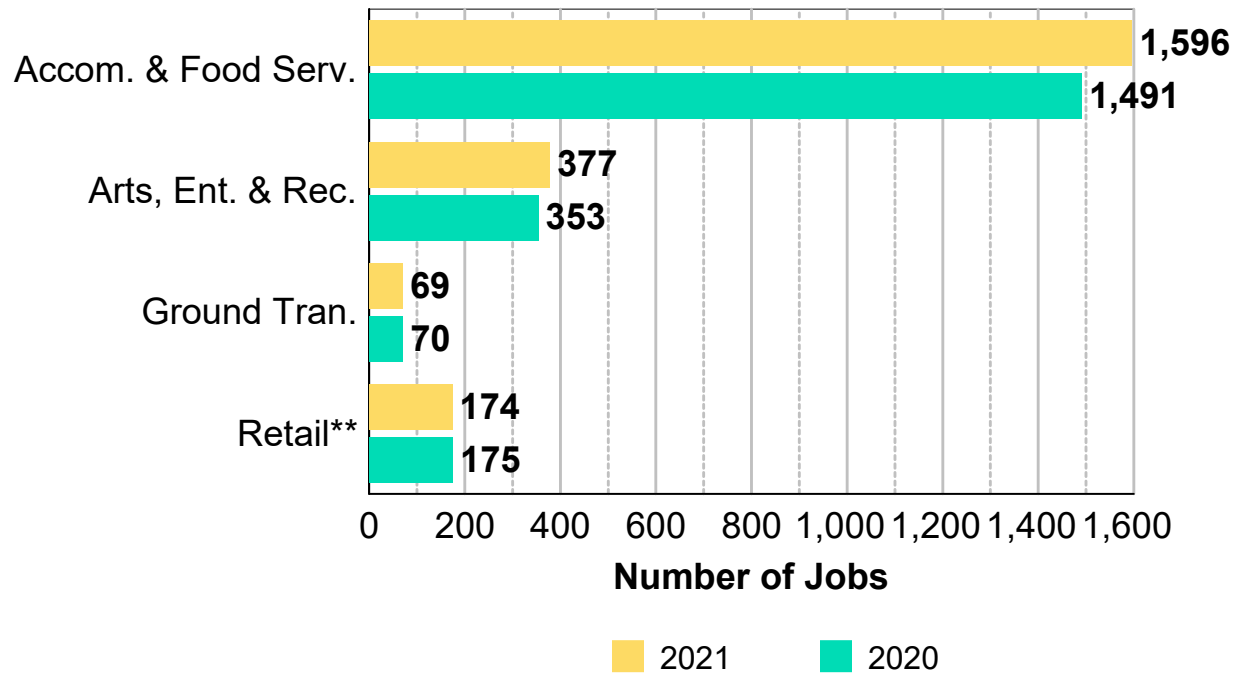


Visitors who stayed in a Hotel, Motel, or STVR spent \$165.8 million in 2021, an increase of 62.4%.

Sources: City of Santa Ana, Dean Runyan Associates, Omnitrak Group, STR LLC.
Note: Private Home represents visitors staying with friends or family. (Glossary on page 13)

Santa Ana / Employment

Travel Industry Employment



**Retail includes gasoline station employment.
Employment includes CARES Act support.

Travel to Santa Ana generated 2,200 jobs in 2021. Overall, travel industry employment grew by 6.2%.

Sources: Dean Runyan Associates, Bureau of Labor Statistics, Bureau of Economic Analysis, California EDD

Photo: Visit Santa Ana (Modified by Dean Runyan Associates)



Santa Ana / Detailed Table

Direct Travel Impacts 2017-2021p

	2017	2018	2019	2020	2021	2020-2021
Direct Travel Spending (\$Million)						
Destination Spending	403.7	402.2	430.7	167.2	307.8	▲ 84.1%
TOTAL	403.7	402.2	430.7	167.2	307.8	▲ 84.1%
Visitor Spending by Type of Traveler Accommodation (\$Million)						
Hotel, Motel, STVR	204.3	201.5	217.0	102.1	165.8	▲ 62.4%
Private Home	64.2	64.3	69.7	31.4	75.0	▲ 138.8%
2nd Home	1.9	1.5	1.1	1.5	1.6	▲ 8.4%
Day Travel	133.3	134.9	142.9	32.1	65.3	▲ 103.1%
TOTAL	403.7	402.2	430.7	167.2	307.8	▲ 84.1%
Visitor Spending by Commodity Purchased (\$Million)						
Accommodations	96.3	93.1	98.1	40.9	67.3	▲ 64.7%
Food Service	97.5	98.6	107.0	44.0	79.3	▲ 80.2%
Food Stores	15.3	14.9	15.6	6.5	12.9	▲ 98.5%
Local Tran. & Gas	60.4	65.2	70.1	24.8	57.6	▲ 132.1%
Arts, Ent. & Rec.	97.2	96.4	101.8	35.4	62.2	▲ 76.0%
Retail Sales	37.0	34.1	38.0	15.6	28.5	▲ 82.4%
TOTAL	403.7	402.2	430.7	167.2	307.8	▲ 84.1%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

Note: Private Home represents visitors staying with friends or family. (Glossary on page 16)

Santa Ana / Detailed Table

Direct Travel Impacts 2017-2021p

	2017	2018	2019	2020	2021	2019-2020
Travel Industry Earnings (\$Million)						
Accom. & Food Serv.	89.1	91.1	99.0	63.5	73.6	▲ 16.0%
Arts, Ent. & Rec.	33.7	33.2	35.5	14.4	16.9	▲ 17.5%
Retail**	8.2	7.8	8.3	7.0	7.2	▲ 3.5%
Ground Tran.	4.0	5.0	5.6	2.0	2.2	▲ 9.8%
TOTAL	134.8	137.0	148.5	86.9	100.0	▲ 15.1%
Travel Industry Employment (Jobs)						
Accom. & Food Serv.	2,230	2,200	2,320	1,490	1,600	▲ 7.1%
Arts, Ent. & Rec.	780	840	890	350	380	▲ 6.8%
Retail**	230	210	220	170	170	▼ -0.6%
Ground Tran.	80	100	110	70	70	▼ -1.7%
TOTAL	3,330	3,360	3,540	2,090	2,220	▲ 6.2%
Tax Receipts Generated by Travel Spending (\$Million)						
Local Tax Receipts	11.4	11.4	12.1	5.0	9.5	▲ 89.3%
State Tax Receipts	12.6	13.3	14.5	6.4	12.6	▲ 97.2%
TOTAL	24.0	24.7	26.6	11.4	22.0	▲ 93.7%

Details may not add to totals due to rounding. Percent change calculated on unrounded figures.

**Retail includes gasoline.

Earnings and employment include CARES Act support.

Santa Ana / Overnight Visitor Details

Overnight Visitor Volume and Average Spending

Overnight visitor volume figures for Santa Ana are based on the economic findings of this report and other source data. Day travel estimates are not provided because of data limitations. Although volume estimates derived from different methodologies and source data will necessarily vary to some extent, it should be noted that the overnight volume estimates reported here are consistent with other sources, such as room demand, lodging tax receipts, and visitor survey data.



42%

Hotel, Motel, STR
share of overnight
person-trips

Average Expenditure for Overnight Visitors, 2021p

	Person		Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
Hotel, Motel, STR	\$151	\$446	\$484	\$1,433	3.2	3.0
Private Home	\$40	\$148	\$96	\$351	2.4	3.7
Other Overnight	\$65	\$263	\$202	\$816	3.1	4.0
All Overnight	\$81	\$274	\$214	\$731	2.6	3.4

Overnight Visitor Volume, 2019-2021p

	Person-Trips			Party-Trips		
	2019	2020	2021	2019	2020	2021
Hotel, Motel, STR	494,000	251,900	371,600	153,800	78,400	115,700
Private Home	509,600	234,700	507,700	214,900	99,000	214,100
Other Overnight	4,600	6,300	6,300	1,500	2,000	2,000
All Overnight	1,008,200	492,900	885,500	370,200	179,400	331,800

	Person-Nights			Party-Nights		
	2019	2020	2021	2019	2020	2021
Hotel, Motel, STR	1,463,100	746,300	1,100,600	455,600	232,400	342,700
Private Home	1,868,800	860,700	1,861,700	788,000	362,900	785,000
Other Overnight	18,400	25,200	25,200	5,900	8,100	8,100
All Overnight	3,350,400	1,632,200	2,987,500	1,249,500	603,400	1,135,800

Note: Private Home represents visitors staying with friends or family. (Glossary on page 13)

Glossary

Term

Hotel, Motel, STVR

Private Home

Other Overnight

Day Travel

Visitor Spending

Other Spending

Direct Spending

Direct Earnings

Direct Employment

Local Taxes

State Taxes

Destination Spending

STVR

2nd Home

Definition

Accommodation types that house transient lodging activity.

Unpaid overnight accommodations used to host visiting friends and family overnight.

Combination of other overnight visitors who stay in campgrounds or 2nd homes.

Greater than 50 miles traveled non-routine to the destination.

Direct spending made by visitors in a destination.

Spending by residents on travel arrangement services, or spending for convention activity.

Expenditures made by consumers, combination of Visitor Spending and Other Spending.

Total after-tax net income from travel. It includes wage and salary disbursements, proprietor income, and other earned income or benefits.

Employment generated by direct spending; Includes full time, part time, seasonal, and proprietors.

City and county taxes generated by travel spending.

State taxes generated by travel spending.

Interchangeable with Visitor Spending. Direct spending made by visitors in a destination.

Short Term Vacation Rental, private and semi-private lodging rented by owners or property management companies (e.g. Airbnb, VRBO).

Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip.

Assumptions / Methodology

Travel Impacts Methodology

Dean Runyan Associates uses our proprietary Regional Travel Impact Model (RTIM) to generate the data presented in this report. This input-output model uses a fiscal based approach to accurately quantify travel and reduce reliance and variability of survey data. Each accommodation type (Hotel/Motel/STR, Private Home, Vacation Home, Camping, and Day) is modeled uniquely to capture the different types of economic contributions from these visitors. Earnings and employment data are derived from the relationship between business income and employee expenses. Tax receipts are generated based on each unique tax rate that applies to the underlying economic activity.

Our approach starts at local levels of geography building up to state findings.

The RTIM is in use in 12 states covering over 400 counties and local jurisdictions. Findings from this study are directly comparable to any of our research publications.

Travel Impacts Assumptions

- The distribution of commodity expenditures by visitors tracks closely with the larger geographic region of Orange County.
- Overnight visitors are defined as non-local overnight visitation utilizing accommodations that are Hotels/Motels, Short Term Rentals (STR), Camping, Private Home (VFR), and 2nd homes.
- Day visitors include anyone traveling 50 miles or more one way for non-routine travel (e.g. commuting or regular shopping trips).
- Travel contains tourism activity, business activity, and other transient activity.
- Source data is accurate and complete. (Sources include: Bureau of Labor Statistics, Census Bureau, Bureau of Economic Analysis, STR LLC., U.S. Department of Transportation, Omnitrak Group)