

White Paper | May 2023

A Trail to Home



A bi-county regional strategy for funding deeply affordable housing services and programs through tourism in the Valleys of Anza



Berkeley College of
Environmental Design

Cover Photograph and Trail Image by Isha Khan, 2022.

About the Author:

Allison Evans is a PhD student in the Department of City & Regional Planning at the University of California Berkeley. She holds a Master in Environmental Studies, Planning and an Honours Bachelor in Environmental Studies with a Certificate in Urban Ecology from York University, Toronto, Canada. She is also a Member of the Ontario Association of Architects and has a decade of experience in residential architecture. Her current academic research focuses on questions of housing, land use planning, regional economic development, and homelessness.

Acknowledgments:

This report was made possible by the support of Executive Director Craig Kaufman of the Salinas Valley Tourism & Visitors Bureau (SVTVB) in collaboration with University of California Berkeley Master of Urban Design (MUD) program: Professor Margaret Crawford, Evan (Scott) Elder, and Ettore Santi, and the urban design graduate students. Without their creative urban design strategies aimed at promoting tourism in the area with an attention to the housing needs of the region, this document would not exist. Special thank you to Jennifer Coile, AICP (Ret.) of Regional Advisory Council, SVTVB, and Jill Allen, Executive Director of Dorothy's Place, Salinas, for reviewing a draft version of this report.

Contact Information:

Allison Evans
allisone@berkeley.edu

Craig Kaufman
craig@svtvb.org

For more information, please visit www.valleysofanza.org

Executive Summary

In September 2022, students from University of California Berkeley's Master of Urban Design program traveled to the Salinas and San Juan Valley for the studio course "Designing the Valley: A Rural California Studio." During the field trip, students gathered information about the area to create urban design interventions for tourism, housing, and recreational activities. This White Paper is a companion piece to the student projects, bringing them together to discuss the potential for a unique branding exercise aimed at increasing tourism in the area and allocating a portion of this revenue toward the creation of deeply affordable housing services and programs across the region.

Collectively, the student projects represent a multi-pronged project aimed at making the interior valleys a tourism destination. The focal point of the bi-county tourism strategy is leveraging the rich history of the Anza Trail system, starting with the trail's national historic status. The Anza Trail was designated historical by Congress in 1990 and is one of the only 20 National Historic Trails in the United States. The trail system links the Salinas, San Juan, and San Antonio valleys together.

The Housing-Tourism Nexus is an overarching strategy for tying tourism revenue to workforce and affordable housing services and programs. Briefly, a portion of tourism revenue (i.e., hotel tax and assessment fees) is redistributed to fund deeply affordable housing and to increase, improve and preserve rental housing and lower-income housing across the region. Examples include building permanent and temporary affordable housing, providing supportive housing services, and converting, maintaining, and preserving affordable units.¹ This report demonstrates the tourism revenue potential on the student projects, and for funding housing through tourism in general.

Section 1.0: Key Takeaways

The UC Berkeley Urban Design student projects provide an opportunity to increase tourism revenues. Additional revenues raised through the existing Transient Occupancy Tax (TOT) and Tourism Improvement District (TID) could be allocated toward housing. The following sections summarize the actions required to direct tourism revenues to housing.

Transient Occupancy Tax (TOT):

Transient Occupancy Tax can be raised as a special tax and placed in a separate account for specific uses. Jurisdictions across the two counties could:

1. Increase TOT rates through a special tax for housing.
2. Collaborate to raise the TOT by implementing a special tax specifically for housing across the region, following the "unique regional partnership" of Napa County, American County, Yountville, St. Helena, Calistoga, and the City of Napa.²
3. Follow the example of St. Helena, California and consider tying income restrictions to the housing created using the special tax.³

1 City of St. Helena, *Transient Occupancy Tax (TOT) & Tourism Improvement Assessment (TID)*, n.d., <https://www.cityofstheleena.org/finance/page/transient-occupancy-tax-tot-tourism-assessment-tid>.

2 League of California Cities, "Napa County and Cities Pass TOT Measure for Housing," last modified February 14, 2020, <https://www.calcities.org/news/post/2020/02/14/napa-county-and-cities-pass-tot-measure-for-housing>.

3 City of St. Helena, *Transient*.

Tourism Improvement District (TID):

Extending the boundaries of the existing TID assessment zone in Monterey County or creating a new TID in San Benito County to include the overnight stays proposed in the student projects may lead to increased revenues contributing to tourism marketing budgets and thereby potentially increasing the number of tourists and TOT revenues. The management entity of the existing Monterey County Tourism Improvement District (MCTID) could consider:

1. Amending the existing plan to include San Benito County in the district. However, there is already a proposed renewal of the MCTID before each participating city council and the Monterey County Board of Supervisors. The renewal amends the existing assessment fees and extends the TID for ten years, pending approval.⁴
2. If extending the boundary of the existing TID is not feasible, San Benito hoteliers could propose a new TID using MCTID as a template. Jurisdictions in Monterey County unable to approve the MCTID before its implementation could potentially join the new district, notwithstanding any legal barriers.

In addition, using TID assessment funds for workforce and affordable housing is possible if the current payors can be convinced there is a direct benefit to the tourism industry. This report and a recent report from Civitas suggest there is an incentive for hoteliers to invest in housing:

1. The MCTID could be amended to allocate a portion of the assessment fees for capital improvements such as housing programs and services based on the understanding affordable housing in the region is “a benefit to the [tourism] industry as well as the destination.”⁵

Tourism Surcharges:

Surcharges on popular tourist amenities can be directed toward specific programs:

1. The “Travels with Steinbeck” urban design strategy includes a newly proposed “Civic Commons” in downtown Salinas. This amenity could become a pilot project to test an added surcharge for tourism-oriented activities and amenities within jurisdictions with higher volume tourism.

Section 2.0: Key Takeaways

TOT rate increases via special taxes can generate substantial annual revenues, particularly on upscale overnight stays.

1. While the projected annual revenues of the UC Berkeley Urban Design student projects may appear modest compared to, for example, Monterey County’s total TOT collection, the low-overhead interventions could generate additional funds for workforce and affordable housing.

4 Pam Marino, “Hoteliers Agree to Higher Guest Room Fees in a Rush Against Other Tourist Destinations,” *Monterey County Now*, February 9, 2023, https://www.montereycountyweekly.com/news/local_news/hoteliers-agree-to-higher-guest-room-fees-in-a-race-against-other-tourist-destinations/article_dee890c6-a803-11ed-8863-fb95b72c60ed.html.

5 Civitas, *Tourism Improvement Districts: Alleviating the Workforce Housing Crisis*, 2023, 7, <https://civitasadvisors.com/research/>.

Table of Contents

Designing the Valleys	1
The Housing-Tourism Nexus	2
Transient Occupancy Tax (TOT)	3
Tourism Improvement Districts (TID)	7
Safeguarding Local Industry through Affordable Housing	9
Tourism Revenues through Ordinances and Surcharges	10
Calculating Potential Tourism Revenue	11
TOT Special Tax Revenue	11
Projected TOT Revenue for the UC Berkeley Student Projects: Basic Accommodations	12
Projected TOT Revenue for the UC Berkeley Urban Design Graduate Student Designs:	17
Tourism Improvement District Revenue Calculations	20
Ordinances and Surcharges	20
Conclusion	22
Appendix A	23
Assumptions for all TOT and TID Calculations	23
Appendix B	24
Pinnacles West Campground Basic Accommodations TOT Revenue Calculations	24
Appendix C	25
San Lorenzo Park Redesign Basic Accommodations TOT Revenue Calculations	25
Appendix D	26
Winery Campground Basic Accommodations TOT Revenue Calculations	26
Appendix E	27
San Antonio de Padua Mission Basic Accommodations TOT Revenue Calculations	27
Appendix F	28
Pinnacles West Campground Luxury Accommodations TOT Revenue Calculations	28
Appendix G	29
San Lorenzo Ranch Hotel Luxury Accommodations TOT Revenue Calculations	29
Appendix H	30
Vineyard Glamping Luxury Accommodations TOT Revenue Calculations	30
Appendix I	31
San Antonio de Padua Mission Luxury Accommodations TOT Revenue Calculations	31
Appendix J	32
Pinnacles West Campground Basic Accommodations TID Revenue	32
Appendix K	33
San Lorenzo Park Redesign Basic Accommodations TID Revenue Calculations	33
Appendix L	34
Winery Campground Basic Accommodations TID Revenue Calculations	34
Appendix M	35
San Antonio de Padua Mission Basic Accommodations TID Revenue Calculations	35

Appendix N.....36
 Pinnacles West Campground Luxury Accommodations TID Revenue Calculations.....36
Appendix O.....37
 San Lorenzo Ranch Hotel Luxury Accommodations TID Revenue Calculations.....37
Appendix P.....38
 Vineyard Glamping Luxury Accommodations TID Revenue Calculations.38
Appendix Q.....39
 San Antonio de Padua Mission Luxury Accommodations TID Revenue Calculations.39

1.0

Designing the Valleys

In September 2022, students from UC Berkeley's Master of Urban Design program traveled to the Salinas and San Juan Valleys for their studio course "Designing the Valley: A Rural California Studio." During the field trip, students gathered information about the area to create urban design interventions for tourism, housing, and recreational activities. The students brought fresh perspectives to view the valleys and to envision tourism ideas. For most, the trip was their first time visiting the region, and many are international students from around the world, including China, India, and Canada. Their final projects were presented to local and regional stakeholders in January 2023 (see Figure 1). This White Paper is a companion piece to the student projects, bringing them together to discuss the potential for a unique branding exercise aimed at increasing tourism in the area and allocating a portion of this revenue toward the creation of deeply affordable housing services and programs across the region.

The student projects collectively represent a multi-pronged venture to promote the interior valleys of Monterey and San Benito County's as a tourism destination. The focal point of the bi-county tourism strategy is leveraging the rich history of the Anza Trail system, starting with the trail's national historic status. The Anza Trail was designated historical by Congress in 1990 and is one of the only 20 National Historic Trails in the United States. The trail system links the Salinas, San Juan, and San Antonio valleys together. Currently, various wayfinding signage marks the Anza trail system throughout the region. Until now, the signage represented the extent of the regional marketing of the Anza trail system.

The student projects incorporate and build upon the trail system to create tourism opportunities in the "Valleys of the Anza" by promoting these already-existing historical sites to attract tourists from the coastal region into the inland valleys. The strategy includes the development of several key locations to attract overnight stays alongside thematic hospitality using low-impact infrastructure requiring minimal investment compared to typical tourism construction. Augmented reality and self-guided tours are examples of the low-cost, high-impact tourism strategies included in the UC Berkeley Urban Design student proposals. These proposals are described in detail in a separate report but briefly outlined in the following paragraph and referred to throughout this document:

- "Travels with Steinbeck" leverages the local prominence of American literary legend John Steinbeck through a smartphone application guided literary tour and a series of trail connections, an intervention with minimal infrastructural requirements. Designed by Patricia Cespedes Flores and Isha Khan.
- The "Anza Trail" group proposes luxury glamping at winery sites on River Road in addition to wine tours and a bike lane following the Anza trail, with a destination campground at the San Antonio de Padua Mission. Designed by Jiaxing Cui, Sen Du, and Xuyuan Fan.
- "The Agroway" project introduces and integrates agri-tourism into the area by developing several demonstration farms and farm-to-table restaurants along Highway 101. Designed by Rita Ling, Byron Li, and Yaoyao Lu.
- "Rewilding the Valley" is an environmentally focused project proposing several longer-term ecotourism strategies aimed at rehabilitating the natural landscapes of the valley region

while offering local environmental education opportunities. Designed by Yash Gogri, Freya Tan, and Mufeng Yu.

- “Housing the Valley” tackles the regional housing shortage and proposes several temporary and transitional housing typologies to serve the lowest-income residents and workers. Designed by Sagarika Nambiar, Srusti Shah, and Verun Shah.
- The “Images of the Bowl” project is a regional wayfinding strategy directing tourists into the interior valleys while highlighting attractions, such as the Soledad entrance to Pinnacles National Park. Designed by Diego Gonzalez Ramirez.

Overall, the student projects highlight and connect the region’s vast tourism opportunities away from the coast and create new overnight stays in the valley. The projects also bring the valleys into the growing agri-tourism industry. According to the April 2023 *California Agritourism Newsletter*,



Figure 1. UC Berkeley’s Master of Urban design students presenting their tourism term projects to a crowd of stakeholders at the California Welcome Center in downtown Salinas. Photograph by Ettore Santi, 2023.

interest in farm-based tourism is increasing. The impacts of the pandemic on supply chains led many farmers to diversify, creating new ways of interacting with the public through the growing demand for farm-to-table¹ and by offering farmland camping experiences with an educational component for interested tourists.² Several of the UC Berkeley Urban Design student projects reference the region’s agricultural history while proposing new sites for overnight stays in hospitality villages and camping sites in the Salinas and San Juan valleys.

This White Paper focuses on the potential revenue of the newly created overnight stays and how it can be allocated toward affordable housing across the counties.

The Housing-Tourism Nexus

The Housing-Tourism Nexus is an overarching strategy for tying tourism revenue to affordable housing services and programs. The broad mandate of this strategy is to divert a portion of tourism revenue (i.e., hotel taxes and assessment fees) to fund deeply affordable and workforce housing and to increase, improve and preserve rental housing and lower-income housing across the region. Examples include building new affordable housing, providing temporary housing and supportive housing services, converting, maintaining, and preserving affordable units, and buying property for any of these housing programs.³

1 Rachael Callahan and Cooper Limon, “UC SAREP webinars help farmers, ranchers pivot to direct sales during pandemic,” *Agritourism Connections*, September 3, 2021, <https://ucanr.edu/blogs/agritourism/>.

2 Racheal Callahan, “Exploring camping based agritourism: Q & A with Hipcamp,” *Agritourism Connections*, April 6, 2023, <https://ucanr.edu/blogs/agritourism/>.

3 City of St. Helena, *Transient*.

Alleviating the housing crisis is an urgent requirement with the potential to be met through, and not against, tourism. This White Paper identifies and describes the viability of three options to leverage tourism for housing. It is recommended these options are combined to increase overall revenues:

1. Increase the current TOT rates through a special tax specifically allocated for housing.
2. Allocate a proportion of the TID assessments toward capital improvements, like housing.
3. Create a surcharge on attractions (historic, cultural, ecological).

The following sections outline each of the three options greater detail.

Transient Occupancy Tax (TOT)

Transient Occupancy Tax is a non-property tax levied for the privilege of staying in a hotel or similar accommodation and is thus often referred to as a “hotel tax.” Generally, TOT revenues help local governments (county, city, county and city) manage the cost of providing services to tourists and is a stable source of general fund revenue. The *California Revenue and Taxation Code, RTC 7280*, grants local governments the authority to levy TOT.⁴ Implementing or amending TOT is subject to approval by the local City Council or County Board of Supervisors⁵ and a public vote in a ballot measure followed by the subsequent enacting of an ordinance.⁶ *RTC 7280* provides the broad framework to follow and leaves the particulars of the ordinance to local government.⁷ Local governments set their own TOT rates and typically set the TOT as a percentage of hotel room rates. There are currently no TOT rate caps.

TOT levies are of two types: general or special tax. A general tax requires a majority vote and is “imposed for general government purposes:” monies are placed in the general fund. A special tax requires a two-thirds majority vote and is for specific purposes: the collected monies are placed in a separate fund.⁸

To clarify, general taxes “may be used for any lawful governmental purpose,” whereas special tax “may only be used for the purposes identified in the tax measure.” Special tax funds are restricted for specific and identifiable purposes. Through special taxation, local governments can designate TOT revenue for specific purposes.⁹ For example, the City of Monterey prepared a “layered proposal” to increase TOT from 10 to 12 percent; the increase of 2 percent separated from the

4 League of California Cities, *Transient Occupancy Tax (TOT)*, by Jolie Houston and Berliner Cohen, 2004, <https://www.cacities.org/uploadedfiles/leagueinternet/ad/ad280d88-11a8-48ee-a498-1570058e5162.pdf>.

5 Institute for Local Government, *Understanding the Basics of County and City Revenues*, by Charles Summerell, 2008, 9, https://www.counties.org/sites/main/files/file-attachments/understanding_the_basics_of_county_and_city_revenues_ilg.pdf.

6 City of Hollister Ad Hoc Committee, *Transient Occupancy (Hotel) Tax Rate*, August 31, 2019, <https://hollister.ca.gov/wp-content/uploads/2019/09/TOT-Ad-Hoc-Report.pdf>.

7 California Code, *Revenue and Taxation Code, RTC 7280*, <https://codes.findlaw.com/ca/revenue-and-taxation-code/rtc-sect-7280.html>.

8 California Constitution, Article XIII C, Section 1 – Sec. 3, *Voter Approval for Local Tax Levies*, https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CONS&article=XIII%20C.

9 Napa County, *Measure I Impartial Analysis by the Napa County Counsel*, by Jeffrey M. Brax, County Counsel, n.d., <https://www.countyofnapa.org/DocumentCenter/View/9710/November-6-2018-Impartial-Analysis---Measure-I---County-of-Napa?bidId=>.

existing general fund through a special tax ballot measure. The measure passed in 2020, and the special tax funds are allocated toward several initiatives, including neighborhood improvements.¹⁰

Hotel Definitions & Exclusions

As mentioned, the *California Revenue and Taxation Code, RTC 7280*, grants local governments the authority to levy TOT, stating cities and counties “may levy a tax on the privilege of occupying a room, rooms, or other living space in a hotel, inn, tourist home or house, motel, or other lodging for a period of 30 days or less.” The *RTC 7280* defines ‘other lodging’ as lodging that “includes, but is not limited to, a camping site or a space at a campground or RV park, but does not include, any facilities operated by a local government entity.”¹¹

Since the *RTC 7280* defines the broad framework for local governments to follow, each defines and excludes what is taxable through their definition of “hotel” in the TOT ordinance, leading to regional variations in what overnight stays are taxable. The “hotel” definition found in each jurisdiction’s ordinance can include additional exclusions by omitting certain types of lodging, such as campgrounds.

For example, the *Monterey County Code of Ordinances Chapter 5.4* definition of “hotel” does not specify “campground” or “campsites,” nor does the ordinance include the *RTC 7280*’s description of “other lodging.” Nor does Chapter 5.4 mention the locally operated campground exclusions found in the *RTC 7280*.¹² Similarly, San Luis Obispo County does not include campgrounds in its definition of a “hotel” or the “other lodging” descriptions and local government-operated facilities found in the *RTC 7280*.¹³ Conversely, San Benito County includes “campground or similar structure” in its “hotel” definition but does not include the local government-operated facility in its exclusions.¹⁴ Nearby Santa Cruz County uses “transient occupancy facility” in lieu of “hotel” and includes “other lodging,” “camping site or a space at a campground or recreational vehicle park,” and the same exemptions found in the *RTC 7280*.¹⁵

RTC 7280 does not specifically mention short-term rentals (e.g., B&B, Airbnb and VRBO) in its definition of or exclusions to “hotel.” However, some local governments are being more specific with local ordinances. For example, Monterey County collects TOT on short-term rentals that are 30 days or less.¹⁶ While other jurisdictions are less clear on the short-term rental stipulations, the “hotel” definition, “transient” definition, and 30-day rental period, as stipulated in most ordinances,

10 Pam Marino, “Monterey City Council considering raising hotel tax to make up for revenue lost due to Covid-19,” *Monterey County Weekly*, July 16, 2020, https://www.montereycountyweekly.com/news/local_news/monterey-city-council-considering-raising-hotel-tax-to-make-up-for-revenue-lost-due-to/article_2c54a0a8-c6e2-11ea-8bf6-1b1b1070da37.amp.html.

11 California Code, *Revenue and Taxation Code, RTC 7280*, <https://codes.findlaw.com/ca/revenue-and-taxation-code/rtc-sect-7280.html>.

12 Monterey County, “Chapter 5.40 – Transient Occupancy Tax. 5.40.020 – Definitions,” in *County Code of Ordinances*, https://library.municode.com/ca/monterey_county/codes/code_of_ordinances?nodeId=TIT5REFI_CH5.40TROCTA_5.40.050EX.

13 San Luis Obispo County, “Chapter 3.08 – Transient Occupancy Tax. 3.08.020 Definitions,” in *County Code of Ordinances*, https://library.municode.com/ca/san_luis_obispo_county/codes/county_code?nodeId=TIT3REFI_CH3.08TROCTA.

14 San Benito County, “Chapter 5.03: County Taxes. Article III. Transient Occupancy Tax. 5.03.051 Definitions,” in *County Code of Ordinances*, https://codelibrary.amlegal.com/codes/sanbenitocounty/latest/sanbenito_ca/0-0-0-2251.

15 Santa Cruz County, “Chapter 4.24 Uniform Transient Occupancy Tax,” in *County Code of Ordinances*, <https://www.codepublishing.com/CA/SantaCruzCounty/#!/SantaCruzCounty04/SantaCruzCounty0424.html>.

16 County of Monterey, *Short Term Rentals*, <https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/permit-center/short-term-rentals>.

arguably do not exclude short-term rentals from TOT collection. However, they could appear as a gray area of the legislation. Other jurisdictions may benefit from taking Monterey County's example and drafting specific ordinances covering short-term rentals.

Case Study: Napa County and Cities TOT Measure for Housing

Like many places in the US, Napa County faces a rental and housing price crisis. Napa County is an international tourism destination and the site of many service industry jobs. High housing costs mean many workers struggle to live near work and either commute or find work closer to home. The increased traffic and local worker shortages led to environmental concerns and many business closures. The County and five proximate cities decided to act to find a way to subsidize housing. After some brainstorming, the six jurisdictions raised a ballot measure for an additional 1 percent special tax to fund affordable housing.¹⁷ Napa County's ballot measure explicitly stated that the revenues from the 1 percent tax "must be placed in a segregated account and restricted to affordable and workforce housing programs and services."¹⁸ The ballot measure passed, with over two-thirds of the vote, in five jurisdictions, and most changes went into effect in January 2019. The 1 percent levy is estimated to bring in \$4.7 million in annual revenue.¹⁹

Case Study: St. Helena, California, Hotel Tax for Housing

Similar to Napa Valley, St. Helena increased the TOT from 12 to 13 percent as a 1 percent special tax. The ballot measure was raised to help fund affordable and workforce housing services and programs, including building new affordable housing; converting market rate units to affordable units; preserving, rehabilitating, or maintaining existing affordable units; and purchasing property for any services or programs. The measure is also tied to income restrictions. Eligible households range from "moderate-income" to "extremely low-income."²⁰ Voters approved Measure E, Helena Hotel Tax for Housing, in 2018.²¹

Regional TOT Rate Variations

TOT rates currently vary across Monterey and San Benito Counties. The County of Monterey levies 10.5 percent in the unincorporated areas. The County redistributes monies through programs aimed to "stimulate tourism, promote the economy, create jobs, and/or a better quality of life," including economic development, agriculture, cultural heritage tourism, arts and films, and organizations involved with tourism/economic development within the region.²² The City of Salinas levies 10 percent, and the revenue is placed in a general fund account and "accounted for separately," but typically for tourism.²³ As mentioned, the City of Monterey levies 12 percent, effective January 1, 2021, with 2 percent of the revenues dedicated to community improvements and essential services

17 League, "Napa County," 2020.

18 Napa County, Measure I, n.d.

19 League, "Napa County," 2020.

20 City of St. Helena, *City Attorney's Impartial Analysis of Measure E*, by Thomas B. Brown, St. Helena Attorney, August 1, 2018, <https://www.countyofnapa.org/DocumentCenter/View/9708/November-6-2018-Impartial-Analysis---Measure-E---City-of-St-Helena?bidId=>.

21 Ballotpedia, "St. Helena, California, Measure E, Hotel Tax for Housing, November 2018," [https://ballotpedia.org/St._Helena,_California,_Measure_E,_Hotel_Tax_for_Housing_\(November_2018\)](https://ballotpedia.org/St._Helena,_California,_Measure_E,_Hotel_Tax_for_Housing_(November_2018)).

22 County of Monterey, *Transient Occupancy Tax (TOT)*, <https://www.co.monterey.ca.us/government/departments-i-z/treasurer-tax-collector/transient-occupancy-tax>.

23 City of Salinas, "Article IV - Transient Occupancy Tax," in *County Code of Ordinances*, https://library.municode.com/ca/salinas/codes/code_of_ordinances?nodeId=PTIITHCO_CH32TA_ARTIVTROCTA.

(e.g., parks and recreation, libraries, emergency response, etc.).²⁴ The City of Soledad levies 12 percent²⁵ and King City 10 percent.²⁶

In San Benito County, a 2018 vote increased the TOT from 8 to 12 percent in the unincorporated areas.²⁷ The City of Hollister has a TOT of 8 percent, one of the lowest rates in the entire area.²⁸ In 2014, a ballot to raise the TOT to 12 percent was defeated by a 67 percent majority.²⁹ In 2019, it was recommended that City Council raise a ballot measure to increase the rate to 12 percent.³⁰ The current TOT remittance form on the City of Hollister website suggests the TOT remains at 8 percent.³¹ San Juan Bautista, the only other incorporated municipality in the County has a TOT of 12 percent, split as a 10 percent general tax and a 2 percent special tax. The special tax is allocated toward restroom and parking improvements only.³²

Opposition to TOT Rate Hikes & Ballot Success

Increasing TOT rates can be contentious. Additional surcharges may already contribute to higher total costs for tourists. From the perspective of local hotel owners, TOT is yet another charge passed along to guests. The fear is that while these rising costs may not impact higher spending tourists, when taken together, higher hotel fees could deter bookings for group events, such as conferences, in an industry still recovering from the pandemic. The loss of large-scale events carries the threat of layoffs and shutdowns³³. However, as noted in the City of Monterey's *Adopted Budget 2019-2021*, other popular cities in northern California have TOTs as high as 14 percent, stating "our community will need to have conversations about these potential revenue resources."³⁴

In addition, without broad support from the public, the local Chamber of Commerce, and the local visitor's bureau, TOT ballot measures are often unsuccessful.³⁵ Early collaboration between vital stakeholders is encouraged to gain support for any increase to existing TOT rates through a special tax. In addition, it is important to strategize on how to gain public and political support, particularly

24 City of Monterey, *Letter to City of Monterey Hotel Operators*, by Hans Usler, City Manager, December 15, 2020, https://files.monterey.org/Document%20Center/Finance/Visitor%20Accommodation%20Facilities/20_1215-CM-Letter-to-Hotels.pdf.

25 City of Soledad, *Transient Occupancy Tax (TOT) Fillable Form*, <https://www.cityofsoledad.com/download/transient-occupancy-tax-tot-fillable-form/>.

26 City of King, *What is the City's TOT (Transient Occupancy Tax)?* <https://www.kingcity.com/ufaqs/citys-tot-transient-occupancy-tax/>.

27 County of San Benito County Clerk & Recorder, *Transient Occupancy Tax*, <https://www.cosb.us/departments/auditor-controller/transient-occupancy-tax>.

28 City of Hollister Ad Hoc Committee, *Transient Occupancy (Hotel) Tax Rate*, August 31, 2019, <https://hollister.ca.gov/wp-content/uploads/2019/09/TOT-Ad-Hoc-Report.pdf>.

29 Ballotpedia, "City of Hollister Transient Occupancy Tax (Hotel Tax) Increase, Measure L," November 2014, [https://ballotpedia.org/City_of_Hollister_Transient_Occupancy_Tax_\(Hotel_Tax\)_Increase,_Measure_L_\(November_2014\)](https://ballotpedia.org/City_of_Hollister_Transient_Occupancy_Tax_(Hotel_Tax)_Increase,_Measure_L_(November_2014)).

30 City of Hollister, *Transient*, 2019.

31 City of Hollister, *Return on Hotel – Motel Transient Occupancy Tax*, https://hollister.ca.gov/wp-content/uploads/2019/04/T.O.T.-Form_Updated-10-16-18.pdf.

32 San Juan Bautista, "Transient Occupancy Tax, Chapter 3-4," in Code of Ordinances, <https://www.codepublishing.com/CA/SanJuanBautista/html/SanJuanBautista03/SanJuanBautista034.html>.

33 Jeroen Gerrese. "Monterey County Hospitality Association, Between the sheets: Monterey hotel tax hike would hurt local industry," *Monterey Herald*, July 31, 2020, <https://www.montereyherald.com/2020/07/31/monterey-county-hospitality-association-between-the-sheets-monterey-hotel-tax-hike-would-hurt-local-industry/>.

34 City of Monterey, *Adopted Budget 2019-21 Biennium*, June 18, 2019, 3, https://files.monterey.org/Document%20Center/Finance/Budget/Adopted-Budget-2019-2021-Biennium_FINAL.pdf.

35 League, *TOT*, 2004.

since TOT can be repealed by a public vote, and as mentioned, typically appealed by those most impacted by rising rates.³⁶

Tourism Improvement Districts (TID)

Tourism Improvement Districts (TIDs) are formed under the *Property and Business Improvement District Law of 1994 (1994 Law)*. This state law authorizes the creation of a “benefit assessment district” to generate revenue within a defined area. TIDs can raise a levy (i.e., assessment fee) for the specific benefit of the businesses located within the designated boundaries and zones.³⁷ TIDs usually focus on local destination marketing spending, where the funds raised through assessments are returned to the non-profit corporation that governs the district. TID funds cannot be used for general government programs: they are for payor benefit (i.e., the lodging businesses within the geographic boundary).³⁸

Monterey County Tourism Improvement District

Monterey County formed a TID in 2006, when hoteliers acted to create a stable source of income to fund area-based tourism marketing. The Monterey County Tourism Improvement District (MCTID) includes two benefit zones, each having assessment fees applicable to overnight stays in lodging businesses. Assessments are a “fixed amount per occupied room per night” based on hotel type. Local governments are responsible for collecting the assessments from participating lodging businesses in a timely manner.³⁹

Assessments & Lodging Types

Monterey County is in the process of amending the existing 2019-2023 TID area management plan to increase assessment fees (see Table 1 for Zone 1 assessment fees) and extend the area management plan by ten years.⁴⁰ The increased assessments are viewed as a necessary boost to marketing budgets to compete with other counties to attract international higher spending tourists who will stay longer and spend more.⁴¹

Table 1. Proposed Zone 1 TID assessment fees. Assessment fees increase biennially. The next raise is the 2025 fiscal year.

Zone 1			
Fiscal Year	Luxury	Non-Luxury Full Service	Limited Service
2023-2024	\$7.00	\$4.50	\$1.50

According to both versions of the TID, full-service lodging businesses are upscale, upper upscale, or luxury accommodations providing a wide selection of amenities. Limited-service lodging businesses are economy, midscale, or upper midscale accommodations offering limited facilities and amenities without a full-service restaurant. The amended TID describes a luxury lodging business as charging around \$500 or more per day based on last year’s revenue for the highest

36 City of Monterey, *Letter*, 2020.
37 California Legislative Information, “Part 7. Property and Business Improvement District Law of 1994,” in *California Law*, https://leginfo.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=SHC&division=18.&title=&part=7.&chapter=&article=.
38 Civitas, *Monterey County*, 2022, 3, 5, 7.
39 Civitas, *Monterey County*, 2022, 3, 13.
40 Civitas, *Monterey*, 2022, 3.
41 Marino, “Hoteliers,” 2023.

quality accommodations and amenities. The TID amendments and renewal must be approved by all the affected City Councils and the County Board of Supervisors, with most already in favor of the changes. The final step is to send the new and approved TID to the City of Monterey (the lead jurisdiction for the MCTID) for City Council approval, with the hope of enacting the new TID by the summer of 2023.⁴²

Geographic Boundaries

The new draft plan nearly encompasses all the areas designated by the UC Berkeley Urban Design student projects, especially considering the latest revision includes Gonzales, Greenfield, King City, and Soledad (see Figure 3 for revised zone maps). Most of the student proposals are in the two benefit zones identified in the 2023-2033 TID: in the unincorporated areas encompassed by Zone 1 and the cities and towns now defined by Zone 2. All the revenue calculations in this report are from Zone 1. However, there are student projects located within San Benito County.

According to the 1994 Law subsection 36622(d), “the boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created to this part.” It is worth noting this law does not limit the geographic area constituting the TID to one county. The MCTID could be extended to include San Benito County, or hoteliers here might create their own.⁴³

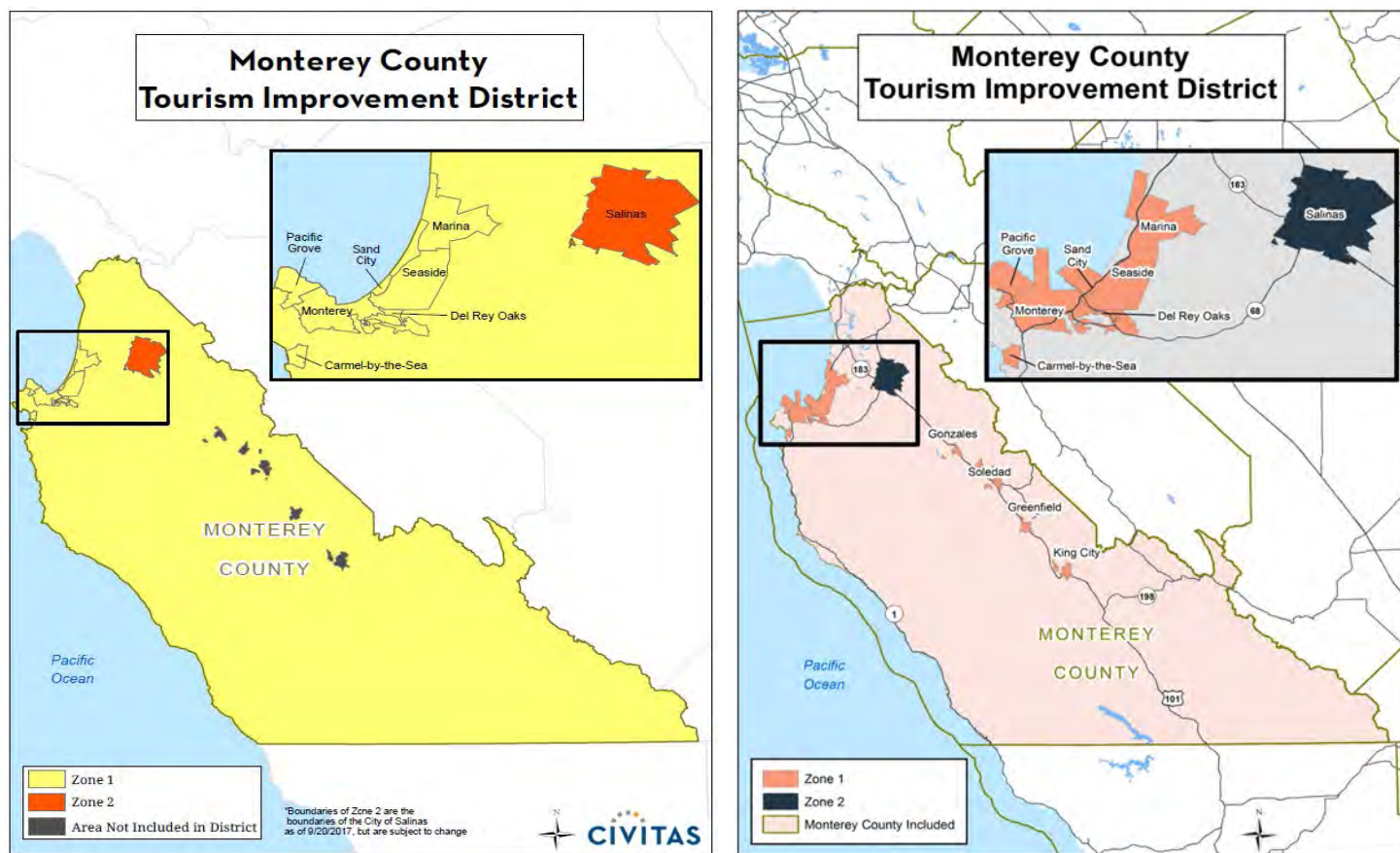


Figure 2 & 3. Boundaries of the 2019-2023 (Figure 2, left) and the amended 2023-2033 MCTID (Figure 3, right). Zone 1 includes the unincorporated areas of Monterey County and now the cities of Gonzales, Greenfield, King City, and Soledad. Zone 2 includes the City of Salinas. Maps by Civitas, 2018, 2022.

⁴² Marino, “Hoteliers,” 2023.

⁴³ California, “Part 7.”

Assessment Fee Allocations

MCTID assessments “include all lodging businesses, existing and in the future, available for public occupancy.” Lodging businesses do not include “vacation time-share facilities, vacation rentals (single-family homes, townhomes, condos), and RV parks.” Several campgrounds are listed in the assessed businesses of the MCTID, such as Big Sur Campground & Cabins and Riverside Campground.⁴⁴

Importantly, TIDs are typically initiated and supported by local business owners (i.e., hoteliers), who, as both the payees and payors of the fund, have a vested interest in paying the assessment fees. Guest room assessments are collected by the lodging establishment, and are “returned” to the group through marketing and promotion of the area as a tourist destination.⁴⁵ Using TID assessment fees for other purposes is a possibility if the payors can be convinced there is a direct benefit to them and tourism. While this is a challenging argument, there are benefits to hotel owners from using a proportion of TID assessments to fund, for example, capital improvements.

For instance, in 2019, Sacramento approved a TID plan allocating 1 percent of room revenue toward capital improvements using the *1994 Law* as the enabling statute. The *1994 Law* subsection 36622(h) states the contents of a TID management district plan can include financing capital improvements with bonds.⁴⁶ The capital improvements and debt service are currently being used to fund the construction of an expansion of the Sacramento Convention Centre.⁴⁷

In addition, a recent publication raises a good argument for why TIDs should consider workforce housing and incentives as assessment fee allocations. As mentioned, tourism businesses often struggle to operate without a nearby workforce. Napa County addressed this issue by raising a TOT special tax ballot measure. However, increasing TOT is one way to alleviate the affordable housing crisis. TIDs can also direct assessment revenue toward housing that is of benefit to the payors, such as workforce and affordable housing. The Civitas report lists several options: TIDs can help build new housing, purchase existing housing, incentivize deed restrictions, and provide housing stipends.⁴⁸ The following section builds on this argument by outlining how housing benefits tourism and business owners.

Safeguarding Local Industry through Affordable Housing

Without long-term planning and proactive policies to address housing affordability, ad hoc interventions could potentially impact the hospitality industry. For instance, at least two west-coast cities are debating enacting policies using empty hotel rooms for emergency shelter. In August 2022, Los Angeles City Council voted down the proposed “Responsible Hotel Ordinance,” deferring the vote to Los Angeles residents in March 2024.

The ordinance, initiated by the UNITE HERE union of hospitality workers, would require hotel owners to report the number of vacant rooms per day to the city. Any unoccupied rooms would be made available to anyone needing emergency shelter, paid for by city vouchers at fair market

⁴⁴ Civitas, *Monterey*, 2022, 2, 7.

⁴⁵ Office of Innovative Program Delivery, *Business Improvement Districts, California*, n.d., 1, https://www.fhwa.dot.gov/ipd/pdfs/value_capture/strategies_in_practice/ca_business_improvement_districts.pdf.

⁴⁶ Civitas, *Monterey*, 2022, 22.

⁴⁷ Civitas, *Sacramento County Tourism Infrastructure District No. 2018-04 Management District Plan*, August 22, 2018, 8, <https://www.cityofsacramento.org/-/media/Corporate/Files/Finance/Revenue/STID-MDP-8-22-18.pdf?la=en>.

⁴⁸ Civitas, *Tourism Improvement Districts*, 2023, 6-8.

rates, but typically, the cheapest rooms would be rented first. Other cities, such as Portland, are also considering implementing similar rules to address the housing crisis and the rising number of encampments.⁴⁹ Encampments are also problematic for tourism, with many located in the downtown areas adjacent to hotels and frequented by tourists. From this perspective, creating a pool of funds from tourism revenues to fund workforce, affordable, and transitional housing translates to money “spent on programs that provide a specific benefit to those who pay.”⁵⁰

As cities across the state grapple with finding interim solutions to provide workforce and affordable housing, municipal and county governments are experimenting with different policies to meet housing needs. This White Paper suggests that meeting workforce and affordable housing needs are achievable without hindering the slowly recovering tourist industry. Policies can leverage tourism to help provide the funds for deeply affordable housing services and programs. As Governor Newsom searches for “aggressive strategies” to address homelessness, this report is timely in its proposition of the Housing-Tourism Nexus by offering not only an aggressive strategy, but a novel and creative strategy aimed at improving citizen wellbeing.⁵¹

Tourism Revenues through Ordinances and Surcharges

Other California jurisdictions have implemented surcharges on tourist-friendly amenities to raise funds for social services. Below is the case study of San Francisco’s worker health care program.

Case Study: Healthy San Francisco Program

In 2006, the San Francisco Board of Supervisors unanimously adopted the Health Care Security Ordinance,⁵² requiring all businesses with 20 or more employees (and non-profits with 50+ employees) spend a minimum amount on health care for each employee working eight or more hours per week. This amount is used to pay for the health care costs incurred by uninsured workers requiring medical care.⁵³ While not without its challenges, the program is ongoing and offers businesses the choice to impose customer surcharges to offset the cost of complying with the ordinance. Businesses could adjust their prices, but many choose to add a surcharge of 4 to 6 percent to cover the cost of the payment, a charge appearing as a receipt line-item.⁵⁴

49 Evan Symon, “LA City Council Rejects Proposed Ordinance to Force LA Hotel Owners Give Vacant Rooms to Homeless,” *California Globe*, August 6, 2022, <https://californiaglobe.com/articles/la-city-council-rejects-proposed-ordinance-to-force-la-hotel-owners-give-vacant-rooms-to-homeless/>.

50 Civitas, *Monterey County Tourism Improvement District Management District Plan 2019-2023*, 2018, 5.

51 Christian Balderas, “Governor Newsom Unfreezes \$3.3 Million Homeless Funds for Monterey County,” December 4, 2022, *KSBW Action News*, <https://www.ksbw.com/article/governor-newsom-unfreezes-dollar33-homeless-funds-for-monterey-county/42138734>.

52 The Kaiser Commission, “Healthy San Francisco,” 2008, https://www.cga.ct.gov/ph/tfs/20071001_State-Wide%20Primary%20Care%20Access%20Authority/20080514/Healthy%20San%20Francisco.pdf.

53 SF.GOV, “Understanding the Health Care Security Ordinance,” February 16, 2023, <https://sf.gov/information/understanding-health-care-security-ordinance>.

54 Mario Cortez and Todd Trumbull, “Did You Pay Way More at a Restaurant Than You Expected? Here’s How Bay Area Surcharges Work,” *San Francisco Chronicle*, August 19, 2022, <https://www.sfchronicle.com/projects/2022/bay-area-restaurant-surcharges/>.

2.0

Calculating Potential Tourism Revenue

This section illustrates the potential revenue generated for housing services and programs through tourism, using the UC Berkeley Urban Design student projects as case study examples for income estimates. The section begins by highlighting the revenue created by increasing the existing TOT rate in Monterey County through a special tax. Next, the section provides conservative TOT and TID projections for the student projects based on the proposed overnight stays, including calculating the difference in revenue if the sites were upgraded to luxury campgrounds. Overall, the section illustrates how much potential funding exists for new housing across the region.

TOT Special Tax Revenue

As discussed above in the example of Napa Valley, one solution to financing housing is through a special tax. For example, the County of Monterey could increase the TOT to 12 percent through a special tax of 1.5 percent specifically identified for housing. Table 1 demonstrates the amount of revenue that could be created through a special tax, based on Monterey County Tax-Collector calculations for the past six years as of February 8, 2023.¹ Taking the first two fiscal quarters of 2023 in Table 1 as an example reveals how much housing revenue could be generated through a special tax of 1.5 percent: approximately \$3 million.

Table 1. Projected revenues on a TOT Increase (12%) through the addition of Special Tax (1.5%) specifically identified for housing. Adapted from Monterey County TOT Tax Collector's Chart.

Monterey County Total Annual TOT Collections				
Fiscal Year	Total Taxable Revenue of lodging (Before TOT Deducted)	Current Rate 10.5%	Proposed Rate 12% (1.5% Special Tax)	Difference (for housing) (1.5%)
2022-2023*	\$205,933,857.	\$21,623,055	\$24,712,063	\$3,089,008
2021-22	\$383,399,180	\$40,256,914	\$46,007,902	\$5,750,988
2020-21	\$224,548,638	\$23,577,607	\$26,945,837	\$3,368,230
2019-20	\$207,691,666	\$21,807,625	\$24,923,000	\$3,115,375
2018-19	\$274,962,771	\$28,871,091	\$32,995,533	\$4,124,442
2017-18	\$234,843,771	\$24,658,596	\$28,181,253	\$3,522,657

*Based on 1st and 2nd quarter collections only.

1 County of Monterey, *Transient Occupancy Tax Collections*, <https://www.co.monterey.ca.us/home/showpublisheddocument/119671/638119017692970000>.

Projected TOT Revenue for the UC Berkeley Student Projects: Basic Accommodations

The following two sections outline the projected TOT revenues for a 1.5 percent special tax for four sites with overnight stays designed by the students at nightly rates that are on par with typical campsites found in the area.

Case Study: Pinnacles Campground

Currently, Pinnacles Campground is the only campground within Pinnacles National Park. Located near the east entrance to the park, 22 miles from the last services in the hamlet of Paicines (population 739) in San Benito County, the campground hosts 134 campsites. Pinnacles Recreation Company, a small family-owned private business, currently operates and manages the site (see Figure 4 for location). Guests can pitch a tent, park an RV, or ‘glamp’ in the provided tent-cabins.² The park and campground are open year-round, with the most popular seasons being Spring weekdays and weekends and summer weekends, with many holidays booked far in advance.

In addition to Pinnacles Campground, there are other campgrounds accessed from the east side of Pinnacles National Park, including the Bolado Park Event Center and the San Benito County Historical and Recreation Park, both 25 miles away in-between Paicines and Tres Pinos; Thousand Trails at 16225 Cienega Road, 22 miles away; and the five campground areas within Hollister Hills State RV Park, 32 miles away at 7200 Cienega Road. These additional campgrounds are often at capacity, and recently, the wells at Thousand Trails ran dry.

Travels with Steinbeck and Campground Pinnacles West

The “Travels with Steinbeck” student proposal hinges around a literary tourism experience composed of several anchor locations connected by a trail system across the Salinas Valley and extending into San Benito County. The strategy relies on the popularity of Josh Steinbeck to create tourist destinations around the settings for his stories. For instance, the family drama in *East of Eden* unfolds between the farmland near King City and the City of Salinas, the latter also home to the Steinbeck Center. The San Juan Bautista area provides the backdrop for a short story in *The Long Valley*, and his grandparents’ Hollister residence still stands today.

The *Of Mice and Men* experience includes a new campground on the west side of Pinnacles National Park. The proposed campground is only accessible through Soledad and is located within the boundary of and near the West Entrance to the park (see Figure 4 for entrance details). The plan for the proposed site includes 68 campsites for tents, RVs, and tent-cabins (see Figure 5 for the proposed campground site plan).

The development of a new campground follows the aim of the park’s current management plan: “engage a broad range of visitors in the enjoyment, understanding, and stewardship of natural and cultural resources and values of the Gabilan Mountains ecoregion” while minimizing the environmental impact.³ The proposed campground is in a Frontcountry zone of the park which is already semi-developed. The area is surrounded by a Semi-Primitive zone and is far outside the Primitive (wilderness) boundary (see Figure 4 for park zone boundaries). In addition, Frontcountry

2 Pinnacles Recreation Co., “Pinnacles Campground,” <https://www.visitpinnacles.com/>.

3 National Park Service, “Chapters 1 and 2,” in *Pinnacles NP Draft General Management Plan and Environmental Assessment*, 2012, xv, <https://parkplanning.nps.gov/document.cfm?parkID=332&projectID=17891&documentID=50419>.

Alternative D: Link People and Resources (Preferred Alternative)

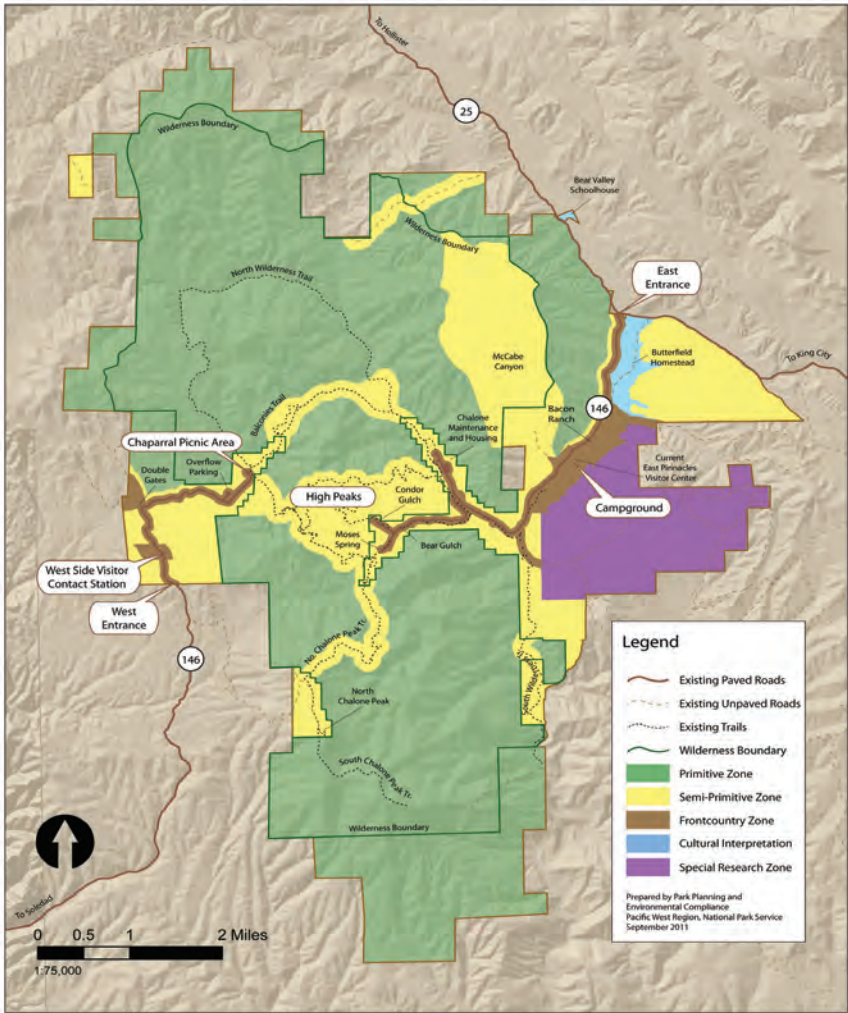


Figure 4. The external and internal boundaries of Pinnacles National Park and the location of the existing campground. Image via National Park Service, 2012.

Table 2. Annual estimated total potential TOT housing revenue collection for Campground West Pinnacles campsites.

Total Revenue	\$337,080.00
TOT (10.5%)	\$35,393.40
TOT (12%)	\$40,449.60
Total Difference (1.5% for housing)	\$5,056.20

*See Appendix A and B for detailed calculations.

Campground and Resort Hotel at San Lorenzo County Park, near King City

San Lorenzo Park is a County Park near King City. While King City is not as close to Pinnacles as Soledad, it could be marketed as an overflow campground for guests interested in visiting. In addition, King City is a destination in several of the UC Berkeley Urban Design students’ tourist-friendly designs: first, as a proposed site in the “Travels with Steinbeck” *East of Eden* literary tour;

zones are “managed for visitor access, education, recreation, and orientation, as well as park operations.”⁴

The new campground is proposed as non-electric to offer guests the Night Sky experience and reduce the environmental impact per the general management plan. Non-electric sites do not provide full electrical hook-ups and while battery-powered or solar lights may be used, electricity is not provided to encourage less usage.

Based on seasonal popularity and the potential for increased visitation since Pinnacles changed status from a National Monument to a National Park, the proposed west campground is expected to have robust seasonal bookings. Pinnacles West could expect fully booked summer weekends with week-long bookings in the peak Spring season, attributed to the spring wildflower bloom.

Conservatively, the campground could expect to collect around \$5,000 per year for housing (see Table 2 for details).

4 National Park Service, “Chapter 3,” in *Pinnacles NP Draft General Management Plan and Environmental Assessment*, 2012, 47, <https://parkplanning.nps.gov/document.cfm?parkID=332&projectID=17891&documentID=50419>.

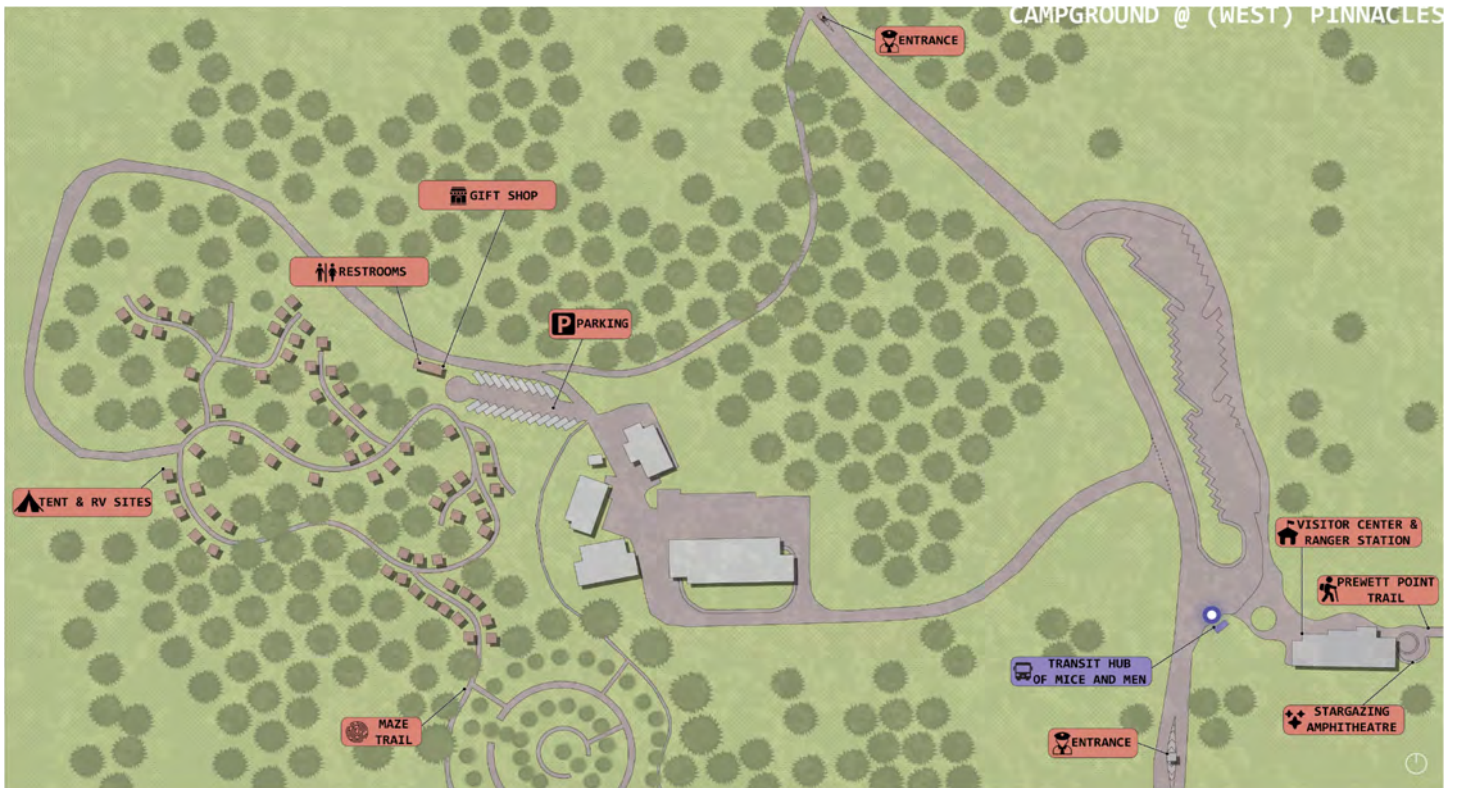


Figure 5. Proposed site plan for Campground West Pinnacles. Note the existing Visitor Centre and Prewitt Point Trailhead are noted on the right. Image by Patricia Cespedes Flores and Isha Kahn, 2022.

second, as a site for a demonstration farm in the proposed “AgroWay” system of highway stops; and finally, as a campground with tent cabins and the potential for a future hotel and resort (see Figure 6 for the proposed site plan). The campground hosts a mix of RV, tent, tent-cabin, and resort accommodations, totaling 152 unique sites. A similar resort is envisioned for San Benito County Historical Park.

The current Camping Fees at San Lorenzo are set by the County and, as mentioned, the County does not currently collect TOT on campsites per the *County Code of Ordinances*. The TOT estimates below illustrate the revenues the County could make if it repealed and redefined its Definition of “hotel” to include the “other lodgings” outlined in *RTC 7280* or “campgrounds” as defined in San Benito’s County Code. Despite this potential setback for TOT collection, the calculations below are based on the new layout using the current campsites and nightly rates. The new campground could conservatively generate around \$20,000 a year for housing (see Table 3 for details).

Winery Tours and Campgrounds

One of the tourism strategies developed by the UC Berkeley Urban Design graduate students is for local wineries looking to offer overnight accommodations without large-scale infrastructure changes. This strategy can help increase the number of tourists to River Road wineries in Monterey County and the Cienega Road wineries in San Benito County through overnight stays alongside wine tours and bike trails connecting several sites along the Anza Trail. The proposed Vineyard Campground Plan includes 35 basic tent cabin sites nestled in the vineyard grounds and surrounded by various other tourist amenities (see Figure 7 for proposed site plan). The conservative estimate for housing is around \$5,000 per year (see Table 4 for details).

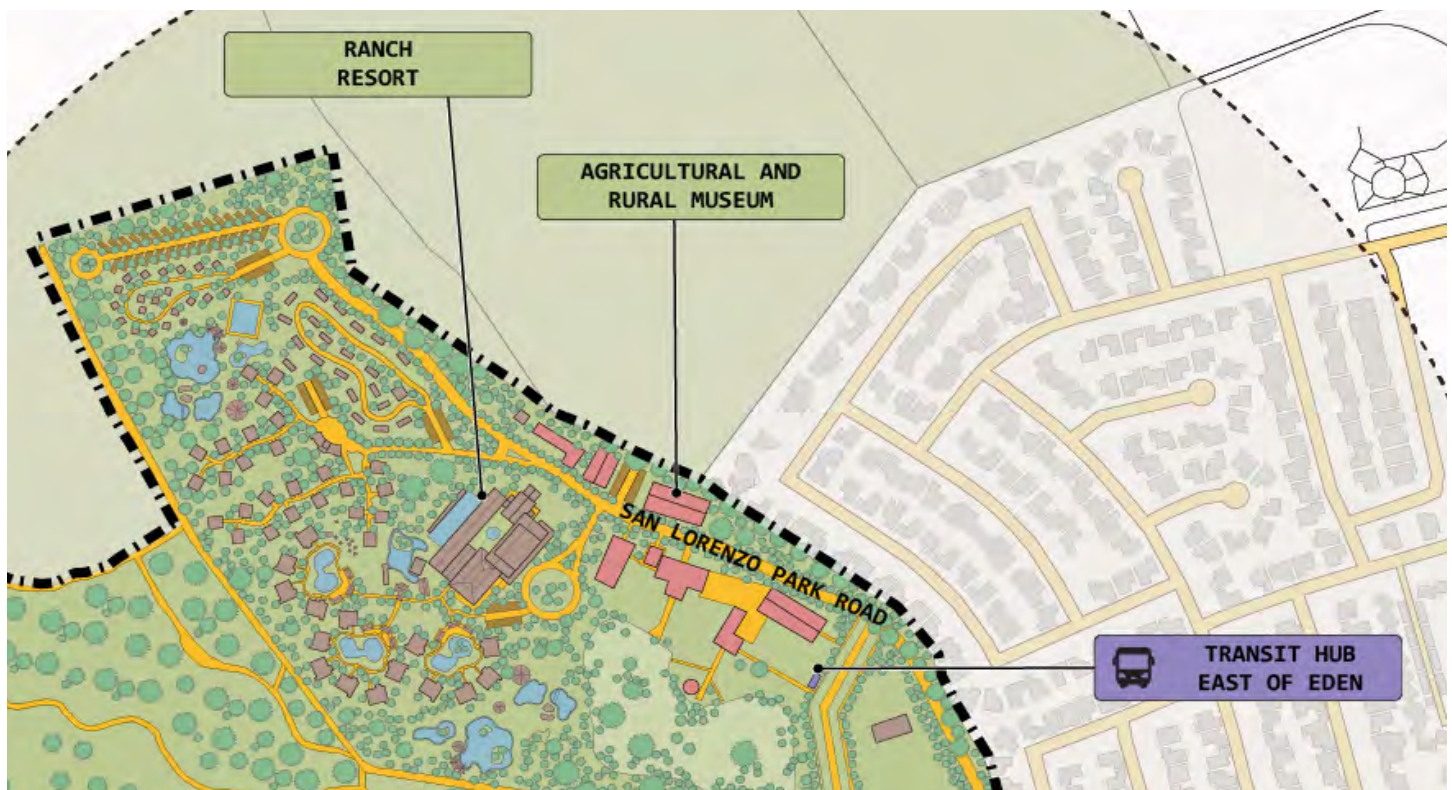


Figure 6. The proposed site plan for the new campground at San Lorenzo Park. Image by Patricia Cespedes Flores and Isha Kahn, 2022. Ranch Hotel site plan design by Rita Ling, Byron Li, Yaoyao Lu, 2022.

Table 3. Annual estimated total potential TOT housing revenue for San Lorenzo Park campsites

Total Revenue	\$1,327,560.00
TOT (10.5%)	\$139,393.80
TOT (12%)	\$159,307.20
Total Difference (1.5% for housing)	\$19,913.40

*See Appendix A and C for detailed calculations.

Table 4. Annual estimated total potential TOT housing revenue for the Vineyard Campsites.

Total Revenue	\$365,820.00
TOT (10.5%)	\$38,411.10
TOT (12%)	\$43,898.40
Total Difference (1.5% for housing)	\$5,487.30

*See Appendix A and D for detailed calculations.

Mission San Antonio de Padua Campground

The San Antonio Mission, located about 25 miles south of King City, is the destination for the proposed Anza Trail experience and vineyard tours. The Mission’s retreat center currently includes 30 double rooms with capacity for 60 guests and related kitchen and dining facilities. Guests cook for themselves, since catering is not provided.⁵ The proposed campground includes 30 basic tent cabin sites straddling Monterey County and the Roman Catholic Bishop of Monterey property,

5 Mission San Antonio de Padua, *Retreat Center*, <https://www.missionsanantonio.net/retreats>.

near the small, unincorporated town of Jolon, California (see Figure 8 for proposed site plan). Conservatively, the campground is estimated to bring in around \$4,000 per year for housing (see Table 5 for details).



Figure 7. Proposed vineyard campground site plan at a local business. This idea is hoped to inspire other vineyards to offer on-site overnight stay opportunities. Image by Jiaxing Cui, Sen Du, and Xuyuan Fan, 2022.



Figure 8. Site plan for the proposed San Antonio Mission de Padua campground and facilities. Image by Jiaxing Cui, Sen Du, and Xuyuan Fan, 2022.

Table 5. Annual estimated total potential TOT housing revenue for the Mission campground.

Total Revenue	\$313,560.00
TOT (10.5%)	\$32,923.80
TOT (12%)	\$37,627.20
Total Difference (1.5% for housing)	\$4,703.40

*See Appendix A and E for detailed calculations.

Taken together, these changes to local tourist destinations have the potential to conservatively generate approximately \$35,000 per year for housing services and programs (see Table 6).

Table 1. Annual combined projected revenues for all four student-proposed sites.

Site	Annual Revenue	TOT (10.5%)	TOT (12%)	Total Difference (1.5% for housing)
Pinnacles West	\$337,080.00	\$35,393.40	\$40,449.60	\$5,056.20
San Lorenzo Park	\$1,327,560.00	\$139,393.80	\$159,307.20	\$19,913.40
Vineyard Campground (per site)*	\$365,820.00	\$38,411.10	\$43,898.40	\$5,487.30
San Antonio Mission	\$313,560.00	\$32,923.80	\$37,627.20	\$4,703.40
Totals	\$2,344,020.00	\$246,122.10	\$281,282.40	\$35,160.30

*Camping could be planned in multiple vineyards.

Projected TOT Revenue for the UC Berkeley Urban Design Graduate Student Designs: Luxury Accommodations

Luxury accommodations are becoming popular tourist destinations identified in many business improvement strategies.⁶ While the goal is not to make the valley unaffordable to all tourists, there are opportunities to leverage existing infrastructure into upscale tourist accommodations targeting specific higher-spending markets. Mixing an element of luxury into the existing campgrounds while maintaining a proportion of affordable sites could provide a variety of accommodations and price points.

Case Study: Under Canvas Glamping

Since 2012, luxury outdoor hospitality group Under Canvas has expanded its accommodations into ten US locations, including Yellowstone and Glacier NP in Montana and Bryce Canyon and Lake Powell-Grand Staircase in Utah. Guests stay in safari-style tents including ensuite bathrooms, hot water, king-size beds, linens, wood stoves, and communal spaces to meet and mingle with other guests. Dining is often provided on-site, and the sites offer programming and tour packages.⁷ The average nightly rate for a fully equipped tent is approximately \$500. Smaller tents that sleep two adults are less expensive at \$350 per night.

Extending the luxury experience to the proposed Pinnacles West Campground and Ranch Hotel could significantly increase the TOT revenue at both locations.⁸

Pinnacles West “Glampground”

Several high-end amenities already exist at the west entrance to the park. Inn at the Pinnacles

6 Marino, “Hoteliers,” 2023.

7 Under Canvas, “About Under Canvas,” <https://www.undercanvas.com/about/>.

8 Summer Hull, “A Non-Camper Tried ‘Glamping’ with Under Canvas – Here’s What It’s Really Like,” *The Points Guy*, June 20, 2021, <https://thepointsguy.com/reviews/under-canvas-glamping/>.

offers six “luxury guest suites next-door” to Pinnacles, with limited availability through December 2024. The standard rate is listed at \$295 per night.⁹ Also nearby is Chalone Vineyard, one of “the oldest producing vineyard in Monterey County” boasting a small airstrip.¹⁰ Offering luxury stays at the west campground could generate around \$23,000 per year for housing (see Table 7 for details).

Table 7. Annual estimated total potential TOT housing revenue for Pinnacles West Campground luxury campsites.

Total Revenue	\$1,583,400.00
TOT (10.5%)	\$166,257.00
TOT (12%)	\$190,008.00
Total Difference (1.5% for housing)	\$23,751.00

*See Appendix A and F for detailed calculations.

Ranch Hotel San Lorenzo Park

The Ranch Hotel proposed for San Lorenzo Park is part of the longer-term tourism improvement strategy for enhancing King City as a destination. The site plan includes a central hotel surrounded by luxury cabins, campsites, and RV parking spots (see Figure 7 for the Ranch Hotel site plan). Luxury accommodations here are estimated to bring in \$55,000 per year four housing (see Table 8 for details).

Table 8. Annual estimated total potential TOT housing revenue for Ranch Hotel.

Total Revenue	\$3,697,200.00
TOT (10.5%)	\$388,206.00
TOT (12%)	\$443,664.00
Total Difference (1.5% for housing)	\$55,458.00

*See Appendix A and G for detailed calculations.

Luxury Winery Glamping Experience

Upscale accommodations at local vineyards may attract higher-budget tourists from the coast and further flung wine destinations, such as Napa and Sonoma Valleys. Conservatively, luxury winery glamping can generate around \$12,000 per year for housing (see Table 9 for details).

Table 9. Annual estimated total potential TOT housing revenue for Vineyard Glamping .

Total Revenue	\$838,500.00
TOT (10.5%)	\$88,042.50
TOT (12%)	\$100,620.00
Total Difference (1.5% for housing)	\$12,577.50

*See Appendix A and H for detailed calculations.

⁹ Inn at Pinnacles, “Rooms,” <https://resnexus.com/resnexus/reservations/book/AF83EC87-7B20-4D7B-AA44-936B5EEE72D9>.

¹⁰ Chalone Vineyard, “About,” <https://www.chalonevineyard.com/>.

San Antonio de Padua Mission Glamping Site

Similarly, as a destination stop on the Anza Trail and potential wine tours, providing upscale accommodations at the San Antonio Mission site may also draw tourists looking for luxury. Upgrading the campground is roughly projected to generate approximately \$11,000 per year for housing (see Table 10 for details).

Table 10. Annual estimated total potential TOT housing revenues for Mission glamping.

Total Revenue	\$741,000.00
TOT (10.5%)	\$77,805.00
TOT (12%)	\$88,920.00
Total Difference (1.5% for housing)	\$11,115.00

*See Appendix A and I for detailed calculations.

Overall, offering luxury glamping has the potential to significantly increase the TOT revenue for the newly proposed campgrounds over basic accommodations. Providing luxury accommodations can be expected to raise increased revenue specifically for housing above that of basic accommodations by around \$65,000 per year (see Table 11, as compared to Table 6, and Table 12 for details).

Table 11. Annual combined projected revenues for all four student-proposed sites at luxury rates.

Site	Annual Revenue	TOT (10.5%)	TOT (12%)	Total Difference (1.5% for housing)
Pinnacles West	\$1,583,400.00	\$166,257.00	\$190,008.00	\$23,751.00
San Lorenzo Park	\$3,697,200.00	\$388,206.00	\$443,664.00	\$55,458.00
Vineyard Campground (per site)*	\$838,500.00	\$88,042.50	\$100,620.00	\$12,577.50
San Antonio Mission	\$741,000.00	\$77,805.00	\$88,920.00	\$11,115.00
Totals	\$6,860,100.00	\$720,310.50	\$823,212.00	\$102,901.50

*Camping could be planned in multiple vineyards.

Table 12. Comparison between basic and luxury accommodation TOT as a combined total of annual revenues.

Site	Annual Revenue	TOT (10.5%)	TOT (12%)	Total Difference (1.5% for housing)
Basic (Total)	\$2,344,020.00	\$246,122.10	\$281,282.40	\$35,160.30
Luxury (Total)	\$6,860,100.00	\$720,310.50	\$823,212.00	\$102,901.20
Difference (\$)	\$4,516,080.00	\$474,188.40	\$541,929.60	\$67,741.20

A 1.5 percent increase in the Monterey County TOT as a special tax will provide approximately \$35,000 in basic accommodation revenues and \$102,901.20 for luxury stays. This revenue could be directed specifically to a fund dedicated for workforce, affordable, and supportive housing. It is recommended local governments across the region consider putting a special tax on the ballot. Although the Special Tax requires a two-thirds majority to pass, with stakeholder coordination, it is a possibility.

Tourism Improvement District Revenue Calculations

In addition to the potential increases in TOT collected, there are TID assessment revenues to consider for the proposed overnight stays located within the Monterey County Tourism Improvement District (MCTID). The calculations below are based on the amended rates in the 2023-2033 draft plan, as set until 2025. All the student projects are in the unincorporated areas of Monterey County, noted as Zone 1 of the MCTID (see Figure 3 for map).

Using the same seasonal booking assumptions as the TOT calculations, the TID revenue collected at each proposed site is illustrated in the following tables (see Appendix J to Q for detailed calculations and TID rates). As noted with the TOT yearly revenues, there is a significant difference between basic and luxury TID assessment total annual collections for a total difference of around \$60,000 per year.

Table 13. Projected annual TID collection at four student-proposed sites based on the full- and limited-service TID assessment rates per the 2023-2033 MCTID.

Site	Annual TID Revenue
Pinnacles West	\$7,155.00
San Lorenzo Park	\$37,440.00
Vineyard Campground (each site)*	\$8,775.00
San Antonio Mission	\$3,510.00
Annual Total TID	\$56,880.00

*Camping could be in more than one vineyard.
 **See Appendix J-M for detailed calculations.

Table 14. Projected annual TID collection at four student-proposed sites based on the luxury TID assessment rates per the proposed 2023-2033 MCTID amendments.

Site	Annual TID Revenue
Pinnacles West	\$32,265.00
San Lorenzo Park	\$57,720.00
Vineyard Campground (each site)*	\$16,185.00
San Antonio Mission	\$14,430.00
Total Annual TID	\$120,600.00

*Camping could be in more than one vineyard.
 **See Appendix N-Q for detailed calculations.

Table 15. Revenue comparison between the basic and luxury TID assessment rates per the proposed 2023-2033 MCTID amendments.

TID Assessment	Annual TID Revenue
Basic (Limited Service)	\$56,880.00
Luxury	\$120,600.00
Difference (\$)	\$63,720.00

Ordinances and Surcharges

The following section briefly describes one potential pilot project application in the City of Salinas through a project proposed by the UC Berkeley Urban Design graduate students.

A Healthy Homes Salinas ordinance, with an option for a surcharge, could be applied to downtown tourist-friendly businesses and amenities such as museums (e.g., the Heritage Center, the National Steinbeck Center, Railway Museum, Steinbeck House, Harvey Baker/First Mayor’s House), cinemas, demonstration farms, institutional locations (library, etc.), restaurants, cafes, and shops on Main Street. The ordinance could be structured like San Francisco’s, with different expenditure rates based on the number of employees. This surcharge could be allocated toward the same general fund as the special tax. In 2018-2019, the San Francisco program had a total revenue of \$5.8 million from a total of 2,050 employers of various company sizes.¹¹



Figure 9. Glamping in the interior valleys. Image by Jiaxing Cui, Sen Du, and Xuyuan Fan, 2022.

11 San Francisco Department of Public Health, *Healthy SF Our Health Access Program Annual Report (Fiscal Year 2018-2019)*, December 2020, 32, 42, <https://healthysanfrancisco.org/wp-content/uploads/2018-19-HSF-Annual-Report.pdf>.

3.0

Conclusion

This report outlines how Monterey and San Benito Counties can alleviate the housing crisis through tourism. The overarching strategy proposed in this report—the Tourism-Housing Nexus—provides a pathway for committing a portion of the Transient Occupancy Tax revenue (specifically by raising a ballot for a new 1.5 percent Special Tax) and the Tourism Improvement District assessments (through a future amendment or infrastructure plan) toward the financing and construction of workforce and affordable housing services and program, leading to the improved well-being for all Valleys de Anza residents and visitors. Considering similar tourism-housing-related strategies are being considered or implemented in other jurisdictions, local governments in the interior valley regions can, in the words of Governor Newsom, take bold action on housing and homelessness through their tourism and economic development plans.

Moreover, leveraging tourism revenue to help finance housing helps protect the tourism industry by offering essential workers healthy homes and limiting potential public health concerns posed by tent encampments that may impact the hospitality and agricultural industries. These two industries are the economic engines of the regions, but also two industries with low wages in an area with high housing prices. Ultimately, the strategies presented in this White Paper provide the framework required to shift a proportion of new tourism revenue in Monterey County and San Benito County toward a wide variety of housing options for a wide variety of people.



Figure 10. Farmhouse in the Salinas Valley. Photography by Diego Gonzalez Ramirez.

Appendix A

Assumptions for all TOT and TID Calculations.

Assumptions

- 52 weeks in a year (12 weeks per season, seven days per typical week, two days per typical weekend)

Spring Season:

- Campground is fully occupied for week-long reservations for half of the Spring Season (i.e., 2 out of 4 weeks per month during March, April, May)
- All weekends of the Spring Season are fully booked (March, April, May)

Summer Season:

- Campground is fully occupied 75 percent of weekends only

Remaining Fall & Winter seasons:

- Campground is half occupied for weekend reservations 25 percent of remaining year

Appendix B

Pinnacles West Campground Basic Accommodations TOT Revenue Calculations.

Pinnacles West Campground - Basic Nightly Rates

Nightly Camping Rates (Based on Current Nightly Rates at Pinnacles Campground East)

Site Type	Nightly Fee	Number of Sites per Type
Tent Cabin	\$109.00	5
Weekend Surcharge	\$25.00	
RV	\$55.00	15
Weekend Surcharge	\$10.00	
Tent	\$39.00	48
Weekend Surcharge	\$10.00	

Projected TOT Revenue Calculations

Spring Season

12 weeks (3 months)

Typical Spring Month (4 weeks):	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekend Days (one Month)	Total Spring Season Weekend Days (12 weeks)	Weekday Nightly Rates:	Weekend Nightly Rates:
Week 1	0	0	2	6	Tent Cabin \$109.00	Tent Cabin \$134.00
Week 2	0	0	2	6	RV \$55.00	RV \$65.00
Week 3	5	15	2	6	Tent \$39.00	Tent \$49.00
Week 4	5	15	2	6		
Total Days		30		24		
		\$97,260.00		\$95,928.00	Weekday Revenue (one night, all sites reserved) \$3,242.00	Weekend Revenue (one night, all sites reserved) \$3,997.00
Sub-Total (Combined Weekday & Weekend Revenues per site type)				\$193,188.00		Weekend Revenue (one night, half of sites reserved) \$1,998.50
TOT (10.5%)				\$20,284.74		
TOT (12%)				\$23,182.56		

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$71,946.00
TOT (10.5%)	\$7,554.33
TOT (12%)	\$8,633.52

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$71,946.00
TOT (10.5%)	\$7,554.33
TOT (12%)	\$8,633.52

Check

Total Revenue	\$337,080.00	
Total TOT (10.5%)	\$35,393.40	\$35,393.40
Total TOT (12%)	\$40,449.60	\$40,449.60
Difference	\$5,056.20	\$5,056.20

Appendix C

San Lorenzo Park Redesign Basic Accommodations TOT Revenue Calculations.

San Lorenzo Park Camping Rates (as of April 8, 2021)

Description	Per Night	Unit
Hiker/Bicyclist (non-moto)	\$20	per site
Basic Tent (no hookups)	\$45	per site
Partial Hook-up (water, e	\$50	per site
Full Hook-up (water/elec/	\$55	per site

Proposed Lorenzo Park Rates - Basic Overnight Rates

Site Type	Per Night	Unit	No of Sites
RV (Full Hook-up)	\$55	per site	32
Tent (Partial Hook-up)	\$45	per site	20
Tent Cabins	\$134	per site	40
Resort Suites	\$150	per room	60

*Rates competitive with local hotels, nearby amenities

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)		Weekday Nightly Rates:	
Week 1	0	0		RV (Full Hook-up)	\$55
Week 2	0	0		Tent (Partial Hook-up)	\$45
Week 3	7	21		Tent Cabins	\$134
Week 4	7	21		Resort Suites	\$150
Total Days per Month		42			
Sub-Total		\$714,840.00		Weekday Revenue (one night, all sites reserved)	\$17,020.00
TOT (10.5%)		\$75,058.20		Weekend Revenue (one night, half of sites reserved)	\$8,510.00
TOT (12%)		\$85,780.80			

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$306,360.00
TOT (10.5%)	\$32,167.80
TOT (12%)	\$36,763.20

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$306,360.00
TOT (10.5%)	\$32,167.80
TOT (12%)	\$36,763.20

Check

Total Revenue	\$1,327,560.00	
TOT (10.5%)	\$139,393.80	\$139,393.80
TOT (12%)	\$159,307.20	\$159,307.20
Difference	\$19,913.40	\$19,913.40

Appendix D

Winery Campground Basic Accommodations TOT Revenue Calculations.

Proposed Vineyard Campground - Basic Overnight Rates

Site Type	Per Night	Unit	No of Sites
Tents	\$0	per site	0
Basic Tent Cabin	\$134	per site	35

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)
Week 1	0	0
Week 2	0	0
Week 3	7	21
Week 4	7	21
Total Days		42

Sub-Total \$196,980.00

TOT (10.5%) \$20,682.90

TOT (12%) \$23,637.60

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$84,420.00
TOT (10.5%)	\$8,864.10
TOT (12%)	\$10,130.40

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$84,420.00
TOT (10.5%)	\$8,864.10
TOT (12%)	\$10,130.40

Check

Total Revenue	\$365,820.00
TOT (10.5%)	\$38,411.10
TOT (12%)	\$43,898.40

\$38,411.10

\$43,898.40

Appendix E

San Antonio de Padua Mission Basic Accommodations TOT Revenue Calculations.

San Antonio Mission Campground - Basic Overnight Rates

Site Type	Per Night	Unit	No of Sites
Basic Tent Cabin	\$134	per site	30

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)		Weekday Nightly Rates:	
Week 1	0	0		Basic Tent Cabin	\$134
Week 2	0	0			
Week 3	7	21			
Week 4	7	21			
Total Days		42			
Sub-Total		\$168,840.00		Weekday Revenue (one night, all sites reserved)	\$4,020
TOT (10.5%)		\$17,728.20		Weekend Revenue (one night, half of sites reserved)	\$2,010.00
TOT (12%)		\$20,260.80			

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$72,360.00
TOT (10.5%)	\$7,597.80
TOT (12%)	\$8,683.20

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$72,360.00
TOT (10.5%)	\$7,597.80
TOT (12%)	\$8,683.20

Check

Total Revenue	\$313,560.00	
TOT (10.5%)	\$32,923.80	\$32,923.80
TOT (12%)	\$37,627.20	\$37,627.20
Difference	\$4,703.40	\$4,703.40

Appendix F

Pinnacles West Campground Luxury Accommodations TOT Revenue Calculations.

Pinnacles West Campground - Luxury Nightly Rates

Nightly Rates

Site Type	Nightly Fee	Number of Sites per Type
Basic Tent	\$250.00	5
RV	\$150.00	15
Luxury Tent	\$350.00	48

*Rates based existing luxury glamping rates and the Inn at Pinnacles

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0	Basic Tent	\$250
Week 2	0	0	RV	\$150
Week 3	7	21	Luxury Tent	\$350
Week 4	7	21		
Total Days		42		
			Weekday Revenue (one night, all sites reserved)	\$20,300.00
Sub-Total		\$852,600.00	Weekend Revenue (one night, half of sites reserved)	\$10,150.00
TOT (10.5%)		\$89,523.00		
TOT (12%)		\$102,312.00		

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$365,400.00
TOT (10.5%)	\$38,367.00
TOT (12%)	\$43,848.00

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$365,400.00
TOT (10.5%)	\$38,367.00
TOT (12%)	\$43,848.00

Total Revenue	\$1,583,400.00	Check	
TOT (10.5%)	\$166,257.00		\$166,257.00
TOT (12%)	\$190,008.00		\$190,008.00
Special Tax (1%)	\$23,751.00		\$23,751.00

Appendix G

San Lorenzo Ranch Hotel Luxury Accommodations TOT Revenue Calculations.

Proposed Ranch Hotel - Luxury Nightly Rates

Site Type	Per Night	Unit	No of Sites
RV	\$200	per site	32
Luxury Tent Cabin	\$350	per site	20
Basic Tent Cabin	\$250	per site	40
Resort Suites	\$400	per room	60

*Rates based existing luxury glamping rates and Vision Quest Ranch Bed & Breakfast (visionquestranch.com)

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0	RV	\$200
Week 2	0	0	Luxury Tent Cabin	\$350
Week 3	7	21	Basic Tent Cabin	\$250
Week 4	7	21	Resort Suites	\$400
Total Days		42		
Sub-Total		\$1,990,800.00	Weekday Revenue (one night, all sites reserved)	\$47,400.00
TOT (10.5%)		\$209,034.00	Weekend Revenue (one night, half of sites reserved)	\$23,700.00
TOT (12%)		\$238,896.00		

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$853,200.00
TOT (10.5%)	\$89,586.00
TOT (12%)	\$102,384.00

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$853,200.00
TOT (10.5%)	\$89,586.00
TOT (12%)	\$102,384.00

Check

Total Revenue	\$3,697,200.00	
TOT (10.5%)	\$388,206.00	\$388,206.00
TOT (12%)	\$443,664.00	\$443,664.00
Special Tax (1%)	\$55,458.00	\$55,458.00

Appendix H

Vineyard Glamping Luxury Accommodations TOT Revenue Calculations.

Proposed Vineyard Glamping - Luxury

Site Type	Per Night	Unit	No of Sites
Luxury Tent Cabin	\$350	per site	20
Basic Tent Cabin	\$250	per site	15

Projected TOT Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)		Weekday Nightly Rates:	
Week 1	0	0			
Week 2	0	0			
Week 3	7	21		Luxury Tent Cabin	\$350
Week 4	7	21		Basic Tent Cabin	\$250
Total Days		42			
Sub-Total		\$451,500.00		Weekday Revenue (one night, all sites reserved)	\$10,750
TOT (10.5%)		\$47,407.50		Weekend Revenue (one night, half of sites reserved)	\$5,375.00
TOT (12%)		\$54,180.00			

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$193,500.00
TOT (10.5%)	\$20,317.50
TOT (12%)	\$23,220.00

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$193,500.00
TOT (10.5%)	\$20,317.50
TOT (12%)	\$23,220.00

Check

Total Revenue	\$838,500.00	
TOT (10.5%)	\$88,042.50	\$88,042.50
TOT (12%)	\$100,620.00	\$100,620.00
Special Tax (1%)	\$12,577.50	\$12,577.50

Appendix I

San Antonio de Padua Mission Luxury Accommodations TOT Revenue Calculations.

San Antonio Mission Glamping - Luxury

Site Type	Per Night	Unit	No of Sites
Luxury Tent Cabin	\$350	per site	20
Basic Tent Cabin	\$250	per site	10

Revenue Calculations

Project TOT Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0		
Week 2	0	0	Luxury Tent Cabin	\$350
Week 3	7	21	Basic Tent Cabin	\$250
Week 4	7	21		
Total Days		42		
Sub-Total		\$399,000.00	Weekday Revenue (one night, all sites reserved)	\$9,500
TOT (10.5%)		\$41,895.00	Weekend Revenue (one night, half of sites reserved)	\$4,750.00
TOT (12%)		\$47,880.00		

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$171,000.00
TOT (10.5%)	\$17,955.00
TOT (12%)	\$20,520.00

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$171,000.00
TOT (10.5%)	\$17,955.00
TOT (12%)	\$20,520.00

Check

Total	\$741,000.00	
TOT (10.5%)	\$77,805.00	\$77,805.00
TOT (12%)	\$88,920.00	\$88,920.00
Special Tax (1%)	\$11,115.00	\$11,115.00

Appendix J

Pinnacles West Campground Basic Accommodations TID Revenue.

Proposed TID

Collection Rates (MCTID 2023)

Hotel Type	Zone 1	Zone 2
Luxury	\$7.00	\$7.50
Full-Service	\$4.50	\$5.00
Limited Service	\$1.50	\$2.00

Note:

Existing and amended MCTID excludes RV parks

Pinnacles West - Limited Service

Nightly Camping Rates

Site Type	Nightly Fee	Number of Sites per Type
Tent Cabin	\$1.50	5
RV	\$0.00	15
Tent	\$1.50	48

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

Typical Spring Month (4 weeks):	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekend Days (one Month)	Total Spring Season Weekend Days (12 weeks)	Weekday Nightly Rates:	
Week 1	0	0	2	6	Tent Cabin	\$1.50
Week 2	0	0	2	6	RV	\$0.00
Week 3	5	15	2	6	Tent	\$1.50
Week 4	5	15	2	6		
Total Days		30		24		
Sub-Total		\$2,385.00		\$1,908.00	Weekday Revenue (one night, all sites reserved)	\$79.50
Total TID (Combined Weekday & Weekend Revenues per site type)				\$4,293.00	Weekend Revenue (one night, half of sites reserved)	\$39.75

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$1,431.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$1,431.00

Annual Total	\$7,155.00
---------------------	------------

Appendix K

San Lorenzo Park Redesign Basic Accommodations TID Revenue Calculations.

San Lorenzo Park Camping Rates (as of April 8, 2021)

Description	Per Night	Unit
Hiker/Bicyclist (non-motoriz	\$20	per site
Basic Tent (no hookups)	\$45	per site
Partial Hook-up (water, elec	\$50	per site
Full Hook-up (water/elec/se	\$55	per site

Proposed Ranch Hotel Rates - Full- and Limited Service

Site Type	Per Night	Unit	No of Sites
RV (Full Hook-up)	\$0.00	per site	32
Tent (Partial Hook-up)	\$1.50	per site	20
Tent Cabins	\$4.50	per site	40
Resort Suites	\$4.50	per room	60

*Rates competitive with local hotels, nearby amenities

Projected TID Revenue Calculations

Spring Season

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0	RV (Full Hook-up)	\$0.00
Week 2	0	0	Tent (Partial Hook-u	\$1.50
Week 3	7	21	Tent Cabins	\$4.50
Week 4	7	21	Resort Suites	\$4.50
Total Days per Month		42		

Sub-Total	\$20,160.00	Weekday Revenue (one night, all sites reserved)	\$480.00
------------------	-------------	--	----------

		Weekend Revenue (one night, half of sites reserved)	\$240.00
--	--	---	----------

Summer Season

12 weeks (3 months)	
Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$8,640.00

Fall & Winter Seasons

24 weeks (6 months)	
Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$8,640.00

Annual Total	\$37,440.00
---------------------	--------------------

Appendix L

Winery Campground Basic Accommodations TID Revenue Calculations.

Vineyard Campground - Full- and Limited Service

Site Type	Per Night	Unit	No of Sites
Tents	\$1.50	per site	15
Basic Tent Cabin	\$4.50	per site	20

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0		
Week 2	0	0	Luxury Tent Cabin	\$1.50
Week 3	7	21	Basic Tent Cabin	\$4.50
Week 4	7	21		
Total Days		42		

Sub-Total	\$4,725.00	Weekday Revenue (one night, all sites reserved)	\$113
------------------	------------	---	-------

		Weekend Revenue (one night, half of sites reserved)	\$56.25
--	--	--	---------

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$2,025.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$2,025.00

Annual Total	\$8,775.00
---------------------	-------------------

Appendix M

San Antonio de Padua Mission Basic Accommodations TID Revenue Calculations.

San Antonio Mission Campground - Limited Service

Site Type	Per Night	Unit	No of Sites
Basic Tent Cabin	\$1.50	per site	30

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0		
Week 2	0	0		
Week 3	7	21	Basic Tent Cabin	\$1.50
Week 4	7	21		
Total Days		42		

Sub-Total \$1,890.00

Weekday Revenue
(one night, all sites
reserved) \$45

Weekend
Revenue
(one night, half of
sites reserved) \$22.50

Summer Season

12 weeks (3 months)

Weekend Days (Total) 24

Weekend Days (75%) 18

Sub-Total \$810.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total) 48

Weekend Days (75%) 36

Sub-Total \$810.00

Annual Total	\$3,510.00
---------------------	-------------------

Appendix N

Pinnacles West Campground Luxury Accommodations TID Revenue Calculations.

Pinnacles West - Full-Service and Luxury

Nightly Camping Rates

Site Type	Nightly Fee	Number of Sites per Type
Basic Tent	\$4.50	5
RV	\$0.00	15
Luxury Tent	\$7.00	48

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

Typical Spring Month (4 weeks):	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekend Days (one Month)	Total Spring Season Weekend Days (12 weeks)	Weekday Nightly Rates:	
Week 1	0	0	2	6	Tent Cabin	\$4.50
Week 2	0	0	2	6	RV	\$0.00
Week 3	5	15	2	6	Tent	\$7.00
Week 4	5	15	2	6		
Total Days		30		24		
Sub-Total		\$10,755.00		\$8,604.00	Weekday Revenue (one night, all sites reserved)	\$358.50
Total TID (Combined Weekday & Weekend Revenues per site type)				\$19,359.00	Weekend Revenue (one night, half of sites reserved)	\$179.25

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$6,453.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$6,453.00

Annual Total	\$32,265.00
---------------------	-------------

Appendix O

San Lorenzo Ranch Hotel Luxury Accommodations TID Revenue Calculations.

San Lorenzo Park Ranch Hotel - Full-Service and Luxury

Proposed Ranch Hotel Rates

Site Type	Per Night	Unit	No of Sites
RV	\$0.00	per site	32
Luxury Tent Cabin	\$7.00	per site	20
Basic Tent Cabin	\$4.50	per site	40
Resort Suites	\$7.00	per room	60

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0	RV (Full Hook-up)	\$0.00
Week 2	0	0	Tent (Partial Hook-u	\$7.00
Week 3	7	21	Tent Cabins	\$4.50
Week 4	7	21	Resort Suites	\$7.00
Total Days per Month		42		

Sub-Total	\$31,080.00	Weekday Revenue (one night, all sites reserved)	\$740.00
		Weekend Revenue (one night, half of sites reserved)	\$370.00

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$13,320.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$13,320.00

Annual Total	\$57,720.00
---------------------	--------------------

Appendix P

Vineyard Glamping Luxury Accommodations TID Revenue Calculations.

Proposed Vineyard Campground - Full-Service and Luxury

Site Type	Per Night	Unit	No of Sites
Luxury Tent Cabin	\$7	per site	20
Basic Tent Cabin	\$4.50	per site	15

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0		
Week 2	0	0	Luxury Tent Cabin	\$7.00
Week 3	7	21	Basic Tent Cabin	\$4.50
Week 4	7	21		
Total Days		42		

Sub-Total \$8,715.00 Weekday Revenue (one night, all sites reserved) \$208

Weekend Revenue (one night, half of sites reserved) \$103.75

Summer Season

12 weeks (3 months)

Weekend Days (Total) 24

Weekend Days (75%) 18

Sub-Total \$3,735.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total) 48

Weekend Days (75%) 36

Sub-Total \$3,735.00

Annual Total	\$16,185.00
---------------------	--------------------

Appendix Q

San Antonio de Padua Mission Luxury Accommodations TID Revenue Calculations.

San Antonio Mission Campground - Full-Service and Luxury

Site Type	Per Night	Unit	No of Sites
Luxury Tent Cabin	\$7.00	per site	20
Basic Tent Cabin	\$4.50	per site	10

Projected TID Revenue Calculations

Spring Season

12 weeks (3 months)

	Weekdays (one Month)	Total Spring Season Weekdays (3 months)	Weekday Nightly Rates:	
Week 1	0	0		
Week 2	0	0	Luxury Tent Cabin	\$7.00
Week 3	7	21	Basic Tent Cabin	\$4.50
Week 4	7	21		
Total Days		42		

Sub-Total	\$7,770.00	Weekday Revenue (one night, all sites reserved)	\$185
------------------	------------	--	-------

		Weekend Revenue (one night, half of sites reserved)	\$92.50
--	--	---	---------

Summer Season

12 weeks (3 months)

Weekend Days (Total)	24
Weekend Days (75%)	18
Sub-Total	\$3,330.00

Fall & Winter Seasons

24 weeks (6 months)

Weekend Days (Total)	48
Weekend Days (75%)	36
Sub-Total	\$3,330.00

Annual Total	\$14,430.00
---------------------	-------------