



SONOMA COUNTY BOARD OF SUPERVISORS

Tourism Funding Overview

May 12, 2026 – BIA Assessment Report

Tourism Business Improvement Area (BIA)

- Established in 2004; effective January 2005
- United the efforts of multiple individual organizations
- Currently a 2% assessment on lodging revenue, subject to properties with over \$350,000 revenue in the prior fiscal year
- Includes unincorporated area and all cities except for Healdsburg and Sonoma (which have not consented to the BIA)
- Collections estimated to be \$6.2 million in 2026-27

BIA Revenue Uses by Legislative Mandate

- Governed by the Parking & Business Improvement Area Law of 1989 (California Streets & Highways Code section 36500, et. se.q) and Sonoma County Code Chapter 33
- Funds must be used to promote tourism within the boundaries, including scenic, recreational, cultural and other attractions and marketing activities designed to increase overnight visits to the area
- Benefit the businesses within the boundaries of the Area that pay BIA
- Reimburse administrative costs to the Contractor (SCT) or County

County Transient Occupancy Tax (TOT) Contribution

- 1.25% of the first 9% (non-Measure L) of collected TOT
 - Discretionary funding provided by the County through a current policy and agreements
- Funds are used to promote overnight stays and creating a sustainable hospitality economy and are not restricted to only promoting overnight visits like BIA
- Contribution estimated to be \$3.2 million in 2026-27
- Other Uses:
 - Community engagement
 - Visitor Center funding
 - Destination stewardship

Sonoma County Tourism

FUNDING OVERVIEW

SONOMA COUNTY
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LIFE OPENS UP

SCT Funding

Revenue generating organization

Performance-based funding

All reliant on overnight lodging

2025 Dean Runyan Economic Impact

- \$2.4 Billion visitor spending (+1.5% YoY)
- Local Taxes \$103 million (+3.5% YoY)
- State Taxes \$128 million (+2.4% YoY)

Careful fiduciary/destination stewards

SCT Programming FY24-25 Highlights - BIA

- Signature Experiences: These offerings showcase truly immersive experiences at nine area properties.
- THIS IS WINE COUNTRY Marketing Campaign
 - The goal: showcase the area's "wine +" messaging
 - Campaign resulted in \$44:1 Return on Investment
- Sonoma County App
 - 578,635 Total Sessions (+419% YOY)
 - Avg Session Duration 5m 21s (+978% YOY)
 - 3,002 New App Downloads

SCT Programming FY24-25 Highlights - BIA

- Provided hotels with incentive programs for securing group business, including launching the “Bay Area Transportation Incentive” supporting bookings, sustainability efforts, and overall impact.
- Launched the Ultimate Sales Guide, a comprehensive, 64-page magazine showcasing Sonoma County. The magazine was sent to 10,000 meeting planners nationwide.
- SCT team influenced 17,581 contracted group room nights, at an average daily rate of \$247.60, generating \$503,273 in TOT, for a total economic impact of \$4,916,387.
- In partnership with Sonoma County Winegrowers, SCT participated in Sonoma in the City in Chicago. SCT hosted a media lunch and a meeting planner happy hour and promoted the destination during the consumer event.

SCT Programming FY24-25 Highlights - TOT

- Wine Country for All of Us: To emphasize the region's historical commitment to welcoming everyone, SCT began its "Wine Country for All of Us" initiative.
- Rapid Connections: A speed dating format event designed to create new partnerships among the local industry members.
- Black Cod Week (since expanded into a month-long event): Sonoma County Tourism partnered with the Economic Development Collaborative to host the first annual Black Cod Week, a countywide celebration designed to highlight one of Sonoma County's most sustainable and prized local catches.
- Introduced Wheel the World, a booking engine focused on accessible travel. While the mapping of individual properties in Sonoma County occurred in FY25-26, this partnership was introduced in FY24-25.
- Launched partner education sessions helping hospitality partners gain insights into a number of topics including AI/emerging technology, generating media coverage, conducting a site visit, how to work with SCT...

SCT Programming FY24-25 Highlights - TOT

- Stars of the Industry (May 7) – The awards evening was attended by approximately 350 attendees and featured 15 awards to celebrate the tremendous work of the tourism industry in Sonoma County. The event also recognized the original signers of the SCT Articles of Incorporation and the organization's 20th anniversary.
- Adopt-a-Road program. During FY24-25, 8 miles of roads were cleaned. Since joining the adopt-a-road program, SCT has cleaned 62 miles of Sonoma County roads.
- Tourism Cares:
 - Russian River Clean Up – September 6, 2024
 - Hygiene Product Drive – December 2024 – February 2025
 - Earth Day Clean Up – Steelhead Beach – April 22, 2025

BIA Assessment – SCT Ongoing Programming

Purpose: Drive Overnight Visitation – Benefit those Assessed

Consumer Marketing

- Paid advertising
- Social media – organic/paid
- Website development

Public Relations

- Media relations
- Influencer relations

Group Business/Sales

Travel Trade/International Sales

Track closely – STR report (both individual and group travel)

TOT Tax – SCT Ongoing Programming

General Fund = Not restricted to driving overnight stays

Promotion for non-lodging/overnight

- Wineries
- Restaurants
- Retailers
- Arts/culture

Visitor Centers

Community Engagement Programs

- Accredited Hospitality Professional (AHP)
- Wheel the World
- Seven Secrets of Inclusive Hospitality
- Destination Stewardship
- Stars of the Industry Awards

Short Term Rentals

Impact of Reducing

California Destination Marketing Comparisons (2026)

Destination	Total Budget	Funding Model	Tourism Assesment Details	Other Info
Sonoma County	\$9.3M	TOT - 35% BIA - 63% Other -2%	2% on room night revenue for all lodging properties in the county in excess of \$350,000 in revenue. Towns of Healdsburg and Sonoma do not contribute nor does AirBNB	Other revenue -interest income, co-op marketing,
Greater Palm Springs	\$31.8M	TBID - 80% County and City Investment - 8% Other - 12%	3% on room revenue for all hotels over 50 rooms and 1% on short term vacation rentals	Other revenue - advertising and website, marketing partnerships, tribal funds, interest
Lake Tahoe Visitors Authority	10.0M	TOT - 37% TID - 31% Other - 32%	TID from South Lake Tahoe - \$4/occupied room for hotels/motels and \$5.50/occupied room for timeshares and agent managed vacation rentals	TOT comes from the Tahoe Douglas Visitors Authority which is funded on TOT. Other revenue is celebrity golf tournament, grants & co-op
Mammoth Lakes	\$9.8M	TOT - 14% TBID - 80% Other - 6%	TBID - tiered system that assess all lodging, retails, restaurants and ski resorts. Tiers depend on revenue and percentage of tourists vs locals	Other revenue - visitor guide sales, interest income, special events funding and partnership with LA Kings
Monterey County	\$13.3M	TOT - 35% TID - 61% Other 4%	MCTID is broken into 2 zones and an assessment is applied per occupied room at a flat rate based on hotel type	Other revenue - Membership, marketing partnerships, ARPA funds
San Luis Obispo County	\$9.3M	TMD - 96% Other - 4%	TMD is 1.5% on all overnight lodging in SLO County	Other sources of revenue - web & ticket revenue, co-op marketing
Santa Barbara	\$11.2M	TBID - 87% Govt - 9% Other - 4%	TBID is a 2% assessment on monthly gross room revenue (Changed in 2022)	Other revenue - membership, marketing partnerships
Santa Monica	\$9.2M	TOT - 32% TMD - 67% Other - 1%	The TMD is a flat rate per occupied room night based on the hotel ADR ranging from \$2.30-\$7.25/night	Other income is interest and visitor and gift shop sales

BIA – Business Improvement Area; **TBID** – Tourism Business Improvement District; **TID** – Tourism Improvement District; **TMD** – Tourism Marketing District; **TOT** – Tourism Occupancy Tax

Recommended Actions

- Approve Sonoma County Tourism Bureau's annual tourism assessment report to support the continuation of the Business Improvement Area Assessment without change in Fiscal Year 2026-27; and
- Adopt a Resolution of Intention to levy the Business Improvement Area Assessment for Fiscal Year 2026-27 and to schedule a public hearing at or after 10:15 a.m. on June 2, 2026 to consider the report and the continuation of the Business Improvement Area Assessment without change; and
- Direct staff to work with Sonoma County Tourism to modify the BIA threshold and request other changes to the BIA model



Thank You