

The Economic Impact of Travel

Concord, California

2022 Preliminary Estimates

May 2023

PREPARED FOR
Visit Concord



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The Economic Impact of Travel in Concord, California

2022 Preliminary Estimates

Visit Concord

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PRIMARY RESEARCH CONDUCTED BY

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Photo: Visit Concord

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Concord, CA

2022p

Concord / Summary

Direct Travel Impacts 2022p

Visitor activity in Concord aligned with national travel trends in 2022. The City of Concord welcomed more overnight and day visitors compared to 2021 and spending associated with these travelers was 8.2% above the pre-pandemic high of \$184.0 million in 2019. The growth of travel-related spending in 2022 can be attributed to increased visitation and price inflation of goods and services- gasoline and accommodations showing the largest inflation levels.

- Travel spending in Concord increased 45.3%, from \$137.1 million in 2021 to \$199.1 million in 2022.
- Direct travel-generated employment grew by 360 jobs, a 22.0% increase over 2021.
- Direct travel-generated earnings increased to \$73.5 million, a gain of 22.8% compared to 2021.
- Tax receipts generated by travel spending increased to \$15.0 million, up 37.8% compared to 2021.
- Overall, travel spending in Concord contributes approximately \$149 per resident household in local tax receipts.

Concord's travel economy **increased 45.3%** in **2022**. Travel spending **exceeded** the amount spent in **2019** by **\$15 million**.



Photo: Visit Concord

Note: This report describes the travel impacts within Concord city limits. Estimates are subject to revision if more complete data becomes available. All economic impacts reported are direct impacts only. Expenditures made by visitors staying outside city limits are classified as "Day Travel".

Concord / Direct Travel Impacts

Summary Table

	2014	2015	2016	2017	2018	2019	2020	2021	2022	21-22	19-22
Spending (\$Millions)											
Visitor	172.0	178.5	180.6	183.3	203.6	184.0	79.3	137.1	199.1	45.3%	8.2%
Earnings (\$Millions)											
Earnings	64.6	72.5	78.4	81.2	88.0	89.2	57.8	59.8	73.5	22.8%	-17.7%
Employment (Jobs)											
Employment	1,900	1,990	2,010	1,970	2,090	2,050	1,240	1,620	1,980	22.0%	-3.7%
Tax Revenue (\$Millions)											
State	7.1	7.2	7.1	7.0	8.1	7.3	2.9	5.7	8.2	44.0%	11.7%
Local	4.9	5.4	5.6	5.6	6.3	5.8	3.3	5.2	6.8	30.9%	17.0%
Total	12.0	12.5	12.6	12.7	14.4	13.1	6.2	10.9	15.0	37.8%	14.0%

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



Concord / Direct Travel Impacts

Detailed Table

	2014	2015	2016	2017	2018	2019	2020	2021	2022	21-22	19-22
Direct Travel Spending (\$Millions)											
Visitor Spending	79.3	184.0	203.6	183.3	203.6	184.0	79.3	137.1	199.1	45.3%	8.2%
Visitor Spending by Type of Traveler Accommodation (\$Millions)											
Hotel, Motel, STVR	53.1	72.7	88.7	76.9	88.7	72.7	53.1	61.4	67.3	9.6%	-7.4%
Private Home (VFR)	12.1	51.4	52.9	49.4	52.9	51.4	12.1	43.5	62.0	42.6%	20.6%
Seasonal Home (2nd Home)	2.3	2.4	2.3	2.3	2.3	2.4	2.3	1.3	1.4	7.4%	-41.1%
Day Travel	11.8	57.4	59.6	54.6	59.6	57.4	11.8	30.8	68.4	121.7%	19.0%
	79.3	184.0	203.6	183.3	203.6	184.0	79.3	137.1	199.1	45.3%	8.2%
Visitor Spending by Commodity Purchased (\$Millions)											
Accommodations	22.9	34.4	37.8	32.5	37.8	34.4	22.9	22.7	24.9	10.0%	-27.5%
Food Service	25.2	57.6	64.4	58.1	64.4	57.6	25.2	47.6	67.7	42.1%	17.6%
Food Stores	2.4	7.4	8.0	7.6	8.0	7.4	2.4	6.0	9.2	54.0%	25.1%
Arts, Ent. & Rec.	10.8	26.9	30.6	28.2	30.6	26.9	10.8	20.5	29.4	43.1%	9.2%
Retail Sales	11.8	33.4	37.3	35.1	37.3	33.4	11.8	25.7	39.8	55.2%	19.2%
Local Tran. & Gas	6.1	24.3	25.6	21.7	25.6	24.3	6.1	14.6	28.1	92.9%	15.5%
	79.3	184.0	203.6	183.3	203.6	184.0	79.3	137.1	199.1	45.3%	8.2%

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

For more information, see Glossary on page 14.



Concord / Direct Travel Impacts

Detailed Table

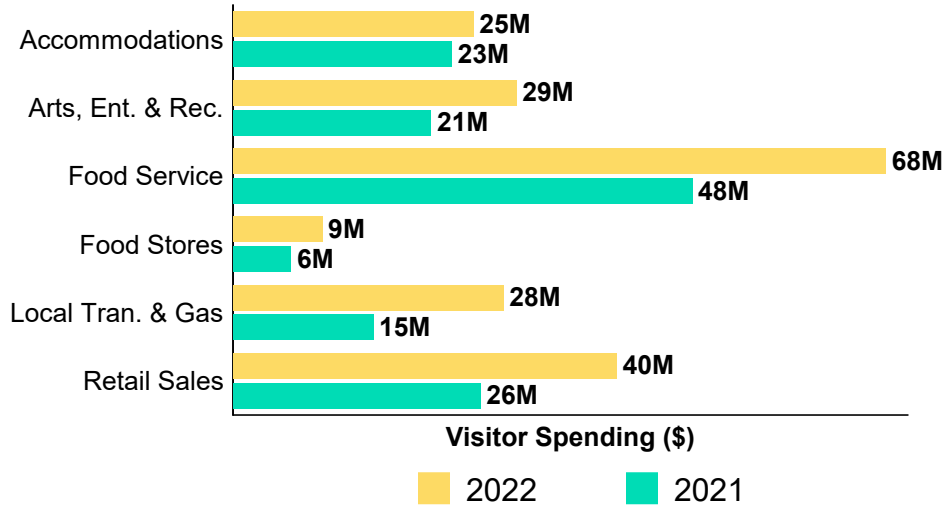
	2014	2015	2016	2017	2018	2019	2020	2021	2022	21-22	19-22
Travel Industry Earnings (\$Millions)											
Accom. & Food Serv.	41.7	48.3	52.3	53.7	58.2	58.8	44.2	38.8	45.6	17.5%	-22.4%
Arts, Ent. & Rec.	15.0	15.9	17.4	18.6	19.4	19.6	10.1	14.0	16.7	19.1%	-15.0%
Retail	5.7	6.0	6.1	6.1	6.2	6.4	2.1	4.9	8.5	74.4%	31.6%
Trans. & Other Travel	2.2	2.3	2.5	2.8	4.2	4.4	1.4	2.1	2.7	27.5%	-38.8%
	64.6	72.5	78.4	81.2	88.0	89.2	57.8	59.8	73.5	22.8%	-17.7%
Travel Industry Employment (Jobs)											
Accom. & Food Serv.	1,040	1,100	1,120	1,110	1,180	1,120	810	970	1,080	11.8%	-3.7%
Arts, Ent. & Rec.	640	650	660	640	680	680	320	500	670	32.1%	-2.2%
Retail	180	180	180	170	170	170	50	100	160	67.7%	-6.4%
Trans. & Other Travel	60	60	60	60	60	80	60	60	70	26.8%	-9.0%
	1,900	1,990	2,010	1,970	2,090	2,050	1,240	1,620	1,980	22.0%	-3.7%
Tax Receipts Generated by Travel Spending (\$Millions)											
County Tax Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.5	47.8%	0.0%
City Tax Receipts	4.9	5.4	5.6	5.6	6.3	5.8	3.3	4.2	5.3	26.9%	-8.5%
State Tax Receipts	7.1	7.2	7.1	7.0	8.1	7.3	2.9	5.7	8.2	44.0%	11.7%
	12.0	12.5	12.6	12.7	14.4	13.1	6.2	10.9	15.0	37.8%	14.0%

Note: Details may not add to totals due to rounding. Percent change calculated on unrounded figures. Retail earnings and employment include gas station businesses. City and County Tax Receipts include city and county sales taxes, state sales taxes distributed to local governments, lodging tax collections, property taxes, and sales tax payments attributable to the travel industry income of employees and businesses. State Tax Receipts include lodging taxes, sales taxes, and motor fuel taxes paid by visitors. It also includes income and sales tax payments attributable to the travel industry income of businesses and employees.

For more information, see Glossary on page 14.

Concord / Direct Spending

Visitor Spending by Commodity Purchased

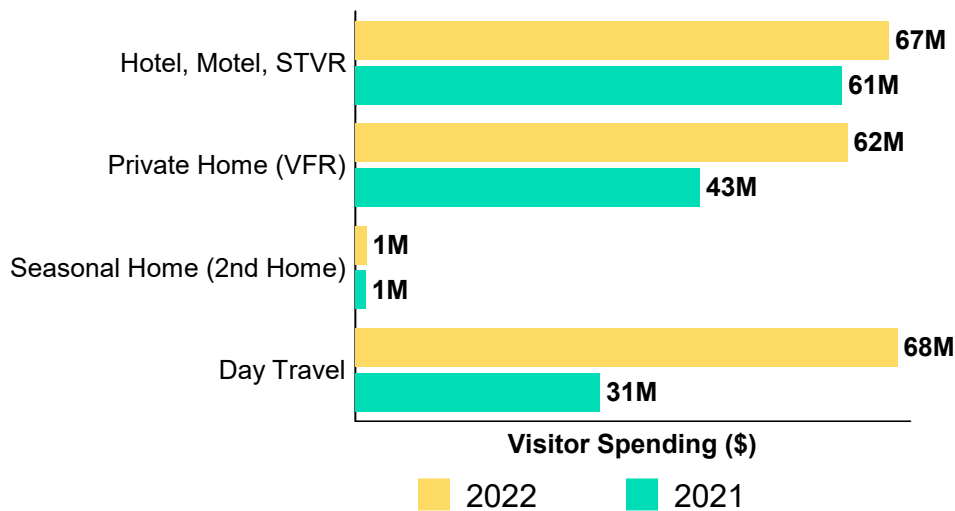


Spending on Accommodations was \$25 million in 2022, a 10% increase compared to 2021.

Sources: Dean Runyan Associates, Omnitrak Group, Energy Information Administration, Bureau of Transportation Statistics

Note: Figures in chart are rounded to the nearest million.

Visitor Spending by Accommodation Type



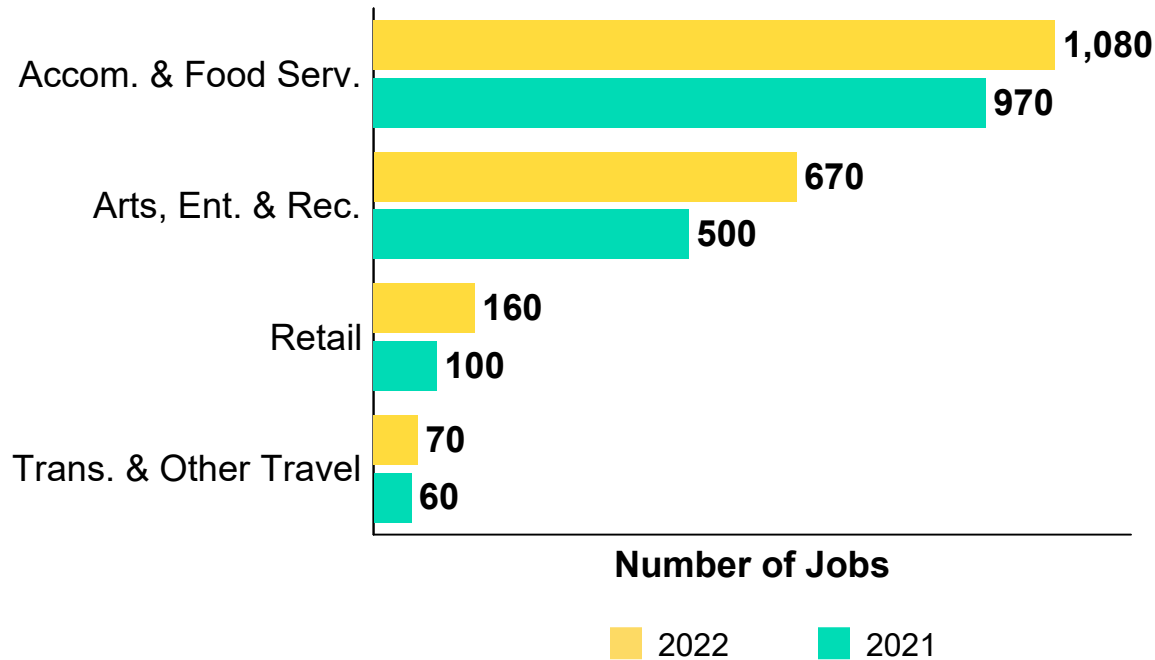
Visitors who stayed in a Hotel, Motel, or Short Term Vacation Rental (STVR) spent a combined \$67 million in 2022, up 9.6% compared to 2021.

Sources: Dean Runyan Associates, Omnitrak Group, STR, AirDNA, Census Bureau



Concord / Direct Employment

Travel Industry Employment



Note: Retail includes gas station employment. "Other Travel" includes travel arrangement services, convention/trade shows, and a portion of ground transportation. Figures represent an annual average employment level and are rounded to the nearest 10. Values less than 5 are rounded to 0.

Travel industry employment increased in all categories between 2021 and 2022. Overall, the travel industry gained 360 jobs, an increase of 22% compared to 2021.

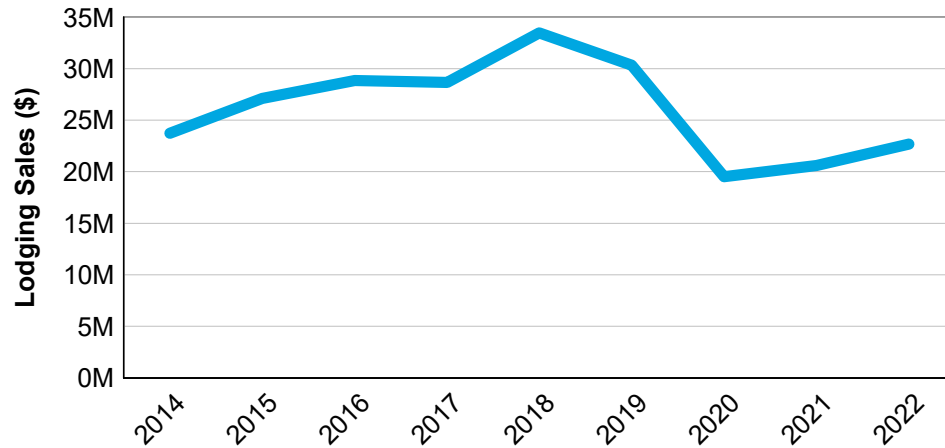


Photo: Mizuno K

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

Concord / Travel Activity Trends

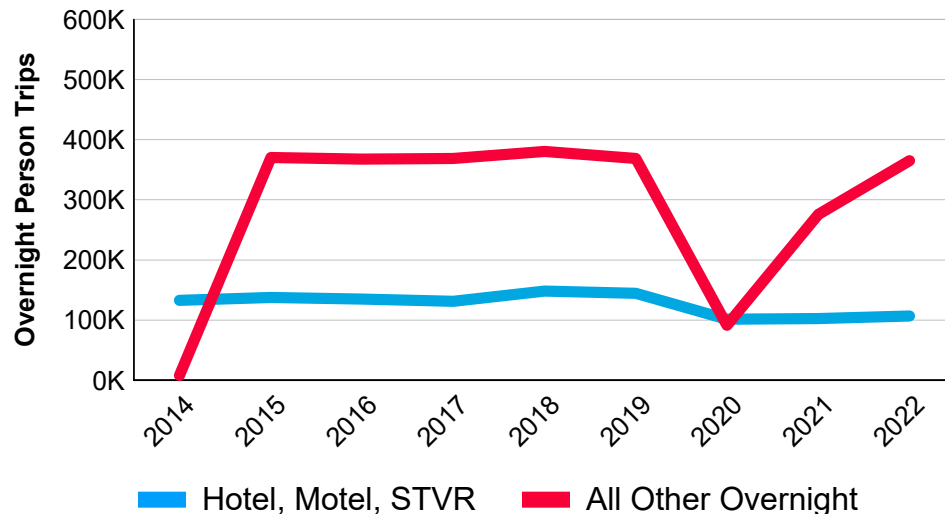
Taxable Lodging Sales



Taxable lodging sales grew to \$22.7 million in 2022, an increase of 10% compared to 2021. Taxable Lodging Sales in 2022 were 16.08% greater than the pandemic-related low of \$19.52 million in 2020.

Sources: Visit Concord, Dean Runyan Associates

Overnight Visitor Volume



Overnight visitor volume increased by 24.6% to 472 thousand person-trips in 2022. Of this total, Hotel, Motel, and STVR volume increased 3.8% and All Other Overnight Volume grew by 32.4%.

Sources: Visit Concord, Census Bureau, AirDNA, STR, Omnitrak Group, Dean Runyan Associates

Concord / Overnight Visitor Details

Overnight Visitor Volume and Average Expenditure

Overnight visitor volume for Concord is based on cross-referencing visitor surveys and lodging data. Volume estimates therefore will differ from methodologies that rely solely on visitor surveys. Visitor Spending is a more reliable metric to Visitor Volume in accounting for changes in the travel industry, as it is more closely tied to economic data and lessens the variability from visitor surveys. Day travel volume estimates are not included because of data limitations.



49%
Hotel, Motel, STVR
share of overnight
person-trips

Average Expenditure for Overnight Visitors, 2022p

	Person		Party		Party Size	Length of Stay
	Day	Trip	Day	Trip		
Hotel, Motel, STVR	\$191	\$456	\$398	\$949	2.1	2.4
Private Home (VFR)	\$43	\$125	\$83	\$241	1.9	2.9
Other Overnight	\$57	\$130	\$124	\$280	2.2	2.3
All Overnight	\$72	\$200	\$141	\$392	2.0	2.8

Overnight Visitor Volume, 2020-2022p

	Person-Trips			Party-Trips		
	2020	2021	2022	2020	2021	2022
Hotel, Motel, STVR	119,500	120,800	125,400	49,100	58,100	60,300
Private Home (VFR)	98,000	315,200	420,300	45,600	164,300	219,000
Other Overnight	9,300	9,300	9,300	4,300	4,300	4,300
All Overnight	226,800	445,300	555,000	99,000	226,600	283,600

	Person-Nights			Party-Nights		
	2020	2021	2022	2020	2021	2022
Hotel, Motel, STVR	335,000	338,600	351,600	137,700	162,800	169,100
Private Home (VFR)	333,900	1,073,800	1,431,800	155,300	559,600	746,100
Other Overnight	24,900	24,700	24,700	11,500	11,500	11,500
All Overnight	693,800	1,437,200	1,808,100	304,500	733,900	926,600

Glossary

Term	Definition
2nd Home	Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip.
Day Travel	Greater than 50 miles traveled non-routine to the destination.
Destination Spending	Interchangeable with Visitor Spending. Direct spending made by visitors in a destination.
STVR	Short Term Vacation Rental, private and semi-private lodging rented by owners or property management companies (e.g. Airbnb, VRBO).
State Taxes	State taxes generated by travel spending.
Local Taxes	City and county taxes generated by travel spending.
Direct Employment	Employment generated by direct spending; includes full time, part time, seasonal, and proprietors.
Direct Earnings	Total after-tax net income for travel. It includes wages and salary disbursements, proprietor income, and other earned income or benefits.
Other Spending	Spending by residents on travel arrangement services, or spending for convention activity.
Visitor Spending	Direct spending made by visitors in a destination.
Hotel, Motel, STVR	Accommodation types that house transient lodging activity.
Direct Spending	Expenditures made by consumers, combination of Visitor Spending and Other Spending.
Other Overnight	Combination of other overnight visitors who stay in campgrounds or 2nd homes.
Private Home	Personal residences used to host visiting friends and family overnight.
NAICS	North American Industry Classification System.
Seasonal Home	Homes under private ownership for personal use as a seasonal property where a lodging tax is not collected. Only includes spending during trip.
Person Trips	Individual trips to the destination for all age groups.
Vacation Home Rental	Accommodation types that house transient lodging activity.

Methodology

Travel Impacts Methodology

The direct travel impacts reported in this analysis were estimated using DRA's Regional Travel Impact Model (RTIM). First developed in 1985, this model estimates direct impacts at a local level without relying on annual survey research. The “bottom up” approach of the RTIM involves modeling of private and public data at the county level, ensuring that the final findings correspond closely with the various travel indicators available for each respective county. Results are then aggregated to regions and the state or disaggregated to the city level based on relevant indicators at these geographic levels. The result is a detailed profile of taxes, employment, wages, and spending that can be tracked consistently over time.

The economic impact associated with day visitors and overnight visitors is a primary breakout included in this report. Lodging tax data and survey data on visitor expenditures inform estimates of total spending associated with overnight visitors who stay in commercial lodging in the studied region. DRA maintains its own expenditure distribution database for each state we work in, with input from multiple major survey providers. Inventory of campgrounds are collected for commercial and public sites, and occupancy is modeled based on a representative subset of sites. Sales attributable to travelers staying in their second homes are calculated from inventories from the US Census and public information on average utilization rates. Visitation of friends and relatives (VFR) is generally stable across time and geography, the primary driver for a destination being the local resident population. Estimates of visitor spending related to day travel can be driven by several factors, including proximity to nearby populous areas, opportunities for recreation and shopping, and inventory of lodging options compared to surrounding areas. Baseline estimates for day visitation are calculated as a factor of overnight visitation, the factor being derived from regional results of national visitor profile data.

Spending on travel-related activities translates into jobs, earnings, and taxes. Calculation of these direct impacts relies on public data on jobs, wages, and business receipts by industry for each geographical area. State and local taxes on travel-related business also factor into triangulating direct travel impacts.

Findings in this report have been compared to various public and private data sources to ensure that the economic impacts estimates are as accurate as possible. Key private data sources used for purposes of this analysis include STR, KeyData, AirDNA, and OmniTrak. Public data sources include the US Census, Bureau of Economic Analysis (BEA), Bureau of Labor Statistics (BLS), Energy Information Administration (EIA), Bureau of Transportation Statistics (BTS), California Employment Development Department (EDD), and the City of Concord.