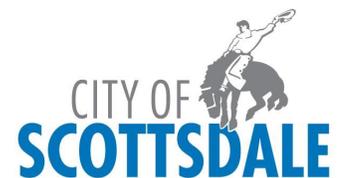

Scottsdale

Tourism Study - Lodging Statistics



October 2019
Tourism and Events



Scottsdale Lodging Statistics

October 2019

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Introduction

The primary purpose of *The Scottsdale Tourism Study Lodging Report* is to provide market information for the tourism, retail, and hospitality operations within the study area. The study looks specifically at trends in local transient occupancy tax (bed tax) collection, room inventory, average room rates, occupancy rates and other factors relating to lodging trends. The report provide information to elected officials, city management, the general public, and private-sector entities regarding the tourism and hospitality markets.

Much of the information contained in the Lodging Statistics study is based on tax collection figures. Bed tax collection figures are used because they are important and consistently tracked and readily available but it is important to remember these three points:

- ◇ The tax receipt figures shown for each month reflect actual sales tax and bed tax collections during the previous month. There is a lag of one month between sales activity and receipts.
- ◇ The data in this report (with the exception of room stock figures) is based primarily on properties located within the City of Scottsdale.
- ◇ With the exception of room stock data, no information is available for properties that lie just outside the corporate limits of the City of Scottsdale and the Town of Paradise Valley. It may be reasonable to assume the data for these properties would be very similar to similar properties in the market area, but no projections are made as part of this report.

EXECUTIVE SUMMARY

- ◇ Scottsdale's bed tax revenues totaled \$20,367,185 in 2018, up 7 percent from 2017.
- ◇ The Scottsdale market area has grown by nearly 354 rooms since 2009. The number of rooms within the City of Scottsdale decreased by 50 rooms in 2018.
- ◇ In the past 10 years, the bed tax has generated over \$146 million in revenue for the City of Scottsdale.
- ◇ Hotel/motel sales tax revenues for the City of Scottsdale in 2018 decreased 1.5 percent from 2017 with \$10,870,524 in collections.
- ◇ Annual occupancy for the Scottsdale market area in 2018 was 70 percent, up from 68.3 percent in 2017.
- ◇ The average room rate for Scottsdale market area hotels in 2018 was \$200.85, an increase from the 2017 average of \$195.03 per room.
- ◇ The percentage of room revenue to total hotel revenues for the City of Scottsdale in 2018 was 57.6 percent.



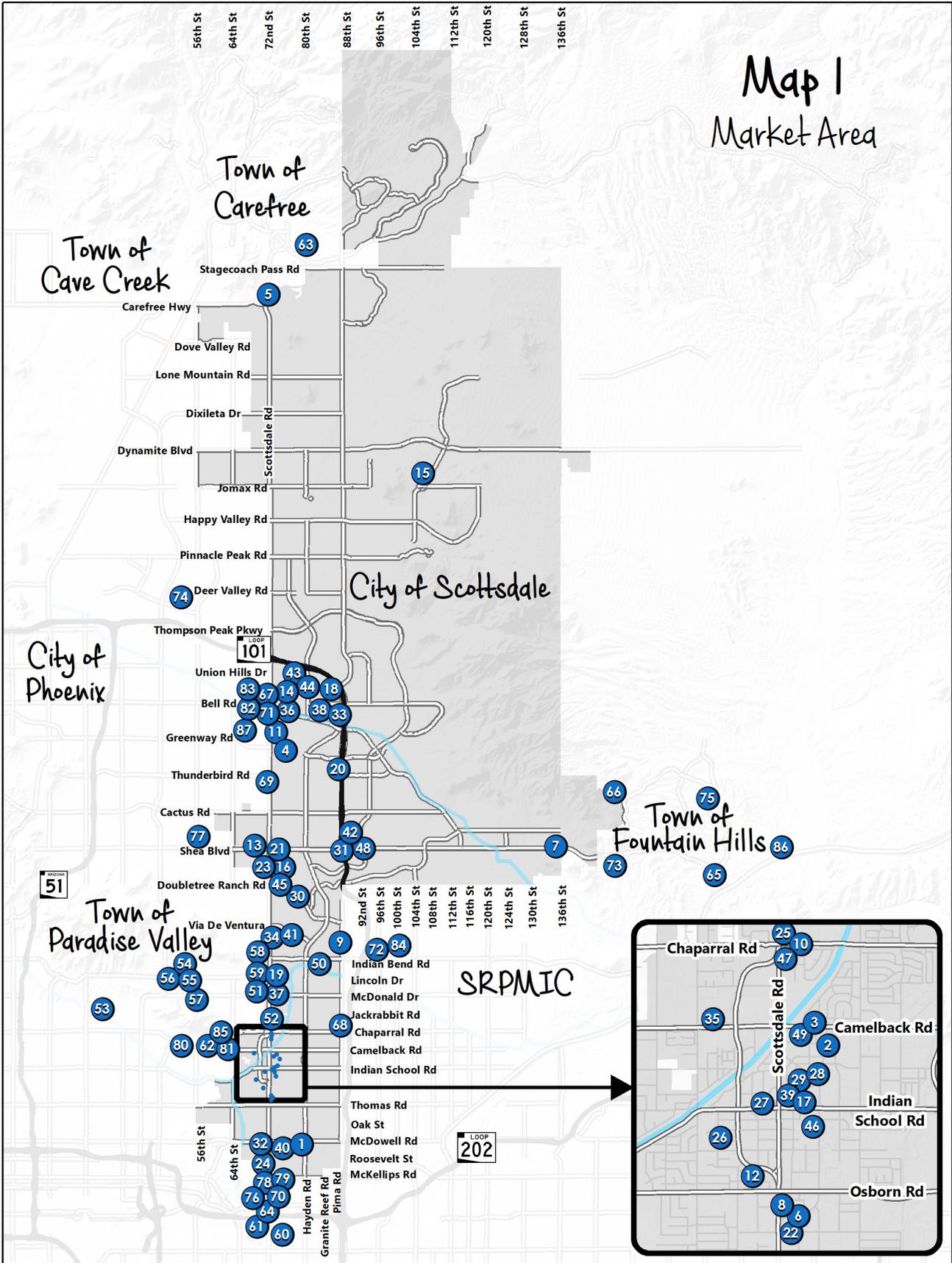
THE SCOTTSDALE MARKET AREA

Map 1 (p. 7) shows the boundaries of the Scottsdale market area, and the locations of market area hotels. The market area contains all of the City of Scottsdale and the Town of Paradise Valley; portions of the cities of Phoenix and Tempe; and parts of the towns of Carefree, Cave Creek, Fountain Hills, and the Salt River Pima Maricopa Indian Community (SRPMIC).

Table 1 (p. 8) lists the hotels in the Scottsdale market area.



Map 1 Market Area



Notice: This document is provided for general information purposes only. The City of Scottsdale does not warrant its accuracy, completeness, or suitability for any particular purpose. It should not be relied upon without field verification.

Table 1
Existing Scottsdale/Paradise Valley Market Area Properties

(Transient Use Properties with more than 25 rooms)

Scottsdale Properties

<u>Key</u>	<u>Hotel Name</u>	<u>Address</u>	<u>Rooms</u>
1	3 Palms Hotel	7707 E. McDowell Rd.	130
2	aloft Scottsdale	4415 N. Civic Center Plaza	126
3	Best Western Plus Sundial	7320 E. Camelback Rd.	54
4	Best Western Plus Thunderbird Suites	7515 E. Butherus Dr.	120
5	Boulders Resort & Spa	34631 N. Tom Darlington	160
6	Comfort Suites Old Town	3275 N. Drinkwater Blvd.	60
7	Courtyard Scottsdale at Mayo Clinic	13444 E. Shea Blvd.	124
8	Courtyard Scottsdale Old Town	3311 N. Scottsdale Rd.	180
9	Days Inn & Suites Scottsdale	7330 N. Pima Rd.	47
10	Embassy Suites	5001 N. Scottsdale Rd.	312
11	Extended Stay America	15501 N. Scottsdale Rd.	120
12	Extended Stay America Old Town	3560 N. Marshall Way	121
13	Extended Stay America Scottsdale	10660 N. 69th St.	106
14	Fairmont Scottsdale Princess	7575 E. Princess Dr.	750
15	Four Seasons Resort	10600 E. Crescent Moon Dr	210
16	Hampton Inn Scottsdale at Shea	10101 N. Scottsdale Rd.	150
17	Hilton Garden Inn (Old Town)	7324 E. Indian School Rd.	199
18	Hilton Garden Inn Scottsdale North	8550 E. Princess Dr	122
19	Hilton Scottsdale Resort & Villa	6333 N. Scottsdale Rd.	235
20	Holiday Inn & Suites (N. Airpark)	14255 N. 87th St	117
21	Holiday Inn Express North	7350 E. Gold Dust Ave.	122
22	Holiday Inn Express Scottsdale Old Town	3131 N. Scottsdale Rd.	169
23	Homewood Suites Hotel	9880 N. Scottsdale Rd.	114
24	Hospitality Suite Resort	409 N. Scottsdale Rd.	105
25	Hotel Adeline	5101 N. Scottsdale Rd.	213
26	Hotel Valley Ho	6902 E. 1st St.	240
27	Howard Johnson Scottsdale	7110 E. Indian School Rd.	65
28	Hyatt House Old Town	4245 N. Drinkwater Dr.	164
29	Hyatt Place Scottsdale/Old Town	7300 E. 3rd Ave.	126
30	Hyatt Regency Scottsdale	7500 E. Doubletree Ranch	493
31	La Quinta Inn & Suites	8888 E. Shea Blvd.	140
32	Magnuson Hotel Papago Inn	7017 E. McDowell Rd.	58
33	Marriott at McDowell Mountain	16770 N. Perimeter Dr.	266
34	McCormick Scottsdale	7401 N. Scottsdale Rd.	125
35	Motel 6	6848 E. Camelback Rd.	122
36	Residence Inn North by Marriott	17011 N. Scottsdale Rd.	120
37	Residence Inn Scottsdale by Marriott	6040 N. Scottsdale Rd.	122
38	Scottsdale Links Resort	16858 N. Perimeter Dr.	221
39	Scottsdale Marriott Suites Old Town	7325 E. 3rd Ave.	243
40	Scottsdale Park Suites	1251 N. Miller Rd.	95
41	Scottsdale Resort at McCormick Ranch	7700 E. McCormick Pkwy.	326
42	Scottsdale Suites on Shea	10801 N. 89th Pl.	162
43	Scottsdale Villa Mirage	7887 E. Princess Blvd.	266
44	Sheraton's Desert Oasis	17700 N. Hayden Rd.	300
45	Sonesta Suites Scottsdale Gainey Ranch	7300 E. Gainey Suites Dr.	162

Table 1 (Continued)

Scottsdale Properties (Continued)

Key	Property Name	Address	# Rooms
46	The Saguaro Hotel	7353 E. Indian School Rd.	194
47	The Scott Resort & Spa	4925 N. Scottsdale Rd.	204
48	TownePlace Suites by Marriot	10740 N. 90th St.	130
49	W Scottsdale	7277 E. Camelback Rd.	230
50	Worldmark Scottsdale	8235 E. Indian Bend Rd.	85

Total Scottsdale Properties **8,825**

Paradise Valley Properties*

51	Andaz Scottsdale Resort & Spa	6114 N Scottsdale Rd.	185
52	Doubletree Resort Paradise Valley	5401 N. Scottsdale Rd.	378
53	Hermosa Inn	5532 N. Palo Cristi Dr.	43
54	JW Marriott Camelback Inn	5402 E. Lincoln Dr.	453
55	Mountain Shadows Resort	5445 E. Lincoln Drive	183
56	Omni Scottsdale Resort & Spa at Montelucia	4949 E. Lincoln Dr.	293
57	Sanctuary Resort on Camelback	5700 E. McDonald Dr.	109
58	Scottsdale Plaza Resort	7200 N. Scottsdale Rd.	404
59	Smoke Tree Resort	7101 E. Lincoln Dr.	26

Total Paradise Valley Properties **2,074**

Other Market Properties (Carefree, Fountain Hills, Phoenix, Tempe, SRPMIC)*

60	aloft Tempe	951 E. Playa del Norte Dr.	136
61	Best Western Inn of Tempe	670 N. Scottsdale Rd.	103
62	Canyon Suites at the Phoenician	6000 E. Camelback Rd.	60
63	CIVANA Carefree	37220 N. Mule Train Rd.	176
64	Comfort Inn & Suites (Tempe)	808 N. Scottsdale Rd.	82
65	Comfort Inn (Fountain Hills)	17105 E. Shea Blvd.	48
66	CopperWynd (Fountain Hills)	13225 Eagle Ridge Dr.	32
67	Courtyard by Marriott (North)	17010 N. Scottsdale Rd.	153
68	Courtyard by Marriott (SRPMIC)	5201 N. Pima Rd.	158
69	Fairfield Inn (North)	13440 N. Scottsdale Rd.	130
70	Hampton Inn & Suites (Tempe)	1415 N. Scottsdale Rd.	117
71	Hampton Inn/Suites (North)	16620 N. Scottsdale Rd.	123
72	Hampton Inn/Suites (SRPMIC)	9550 E. Indian Bend	101
73	Inn at Eagle Mountain	9800 Summer Hill Blvd.	37
74	JW Marriott Desert Ridge (Phoenix)	5350 E. Marriott Dr.	950
75	Lexington Hotel and Suites	12800 N. Saguaro Blvd.	104
76	Motel 6 (Tempe)	1612 N. Scottsdale Rd.	100
77	Orange Tree Golf Resort (Phoenix)	10601 N. 56th St.	160
78	Ramada Tempe	1635 N. Scottsdale Rd.	140
79	Red Lion Inn & Suites	1429 N. Scottsdale Rd.	118
80	Royal Palms Inn & Spa (Phoenix)	5200 E. Camelback Rd.	119
81	Scottsdale Camelback Resort (Phx)	6302 E. Camelback Rd.	111
82	Sleep Inn (Phoenix)	16630 N. Scottsdale Rd.	107
83	Springhill Suites Marriot (Phoenix)	17020 N. Scottsdale Rd.	121
84	Talking Stick Resort (SRPMIC)	9800 E. Indian Bend Rd.	496
85	The Phoenician (Phoenix)	6000 E. Camelback Rd.	645
86	Wekopa Resort & Conf. Center (Ft. McDowell)	10438 N. Ft. McDowell Rd.	246
87	Westin Kierland Resort (Phoenix)	6902 E. Greenway Pkwy.	732

Total Other Market Properties **5,605**

Source: City of Scottsdale, Tourism & Events Department

*These properties do not pay bed taxes or hotel sales taxes to the City of Scottsdale, & not all are included in the Scottsdale market data.

TRENDS IN TAX COLLECTION

Transient Occupancy Tax

The City of Scottsdale has a five percent transient occupancy tax (bed tax). In the past ten years, the bed tax has generated over \$146 million in revenue for the City. The City of Scottsdale has a voter approved allocation of bed tax funds toward the City's destination marketing, tourism related capital projects, general fund, tourism events, and research.

Table 2 (p. 11) presents monthly and yearly breakdowns of the bed tax receipts for Scottsdale from calendar year 2009 through 2018. During 2018, the city collected \$20,367,3185 in bed taxes, a 7 percent increase from 2017 collections.

Sales Tax

In addition to bed tax, the City of Scottsdale tracks collection of the transaction privilege (sales) and use tax (1.65 percent) on all sales transactions in hotels. Maintaining a separate listing of all sales taxes received from hotels and motels provides a mechanism to track visitor purchasing trends.

Sales tax revenues generated by hotel/motel properties in 2018 totaled \$10,870,524 toward the general fund, a 1.5 percent decrease from 2017. Around 50.7 percent of the revenues in this category were generated during the peak season (mid-January through April). Since 2009, the hotel/motel sales tax has generated over \$83.7 million in revenues for the City of Scottsdale.

Table 3 (p. 13) enumerates sales tax collected from Scottsdale hotels and motels since 2009.

Table 2													
Monthly Bed Tax Receipts in Dollars													
City of Scottsdale													
<i>(3% Tax Rate, 5% Bed Tax Rate after July 2010)</i>													
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2009	\$567,325	\$838,870	\$886,188	\$1,039,177	\$748,393	\$484,786	\$366,474	\$287,445	\$293,820	\$371,649	\$547,610	\$653,810	\$7,085,548
2010	\$496,390	\$746,527	\$828,485	\$1,150,123	\$783,160	\$560,558	\$393,529	\$468,069	\$481,170	\$634,850	\$1,518,628	\$990,792	\$9,052,282
2011	\$897,368	\$1,439,693	\$1,490,790	\$2,112,133	\$1,412,304	\$1,038,318	\$642,135	\$551,811	\$522,553	\$749,610	\$1,118,386	\$1,118,739	\$13,093,840
2012	\$895,391	\$1,373,586	\$1,643,740	\$2,287,454	\$1,486,879	\$1,022,196	\$660,005	\$477,816	\$513,365	\$736,410	\$1,152,324	\$958,248	\$13,207,414
2013	\$891,379	\$1,695,722	\$1,602,606	\$2,408,496	\$1,595,317	\$117,220	\$702,513	\$592,219	\$549,687	\$869,451	\$1,272,297	\$1,173,582	\$13,470,489
2014	\$991,024	\$1,461,090	\$2,013,208	\$2,566,323	\$1,764,997	\$1,278,785	\$770,464	\$606,581	\$633,261	\$939,775	\$1,278,397	\$1,443,948	\$15,747,851
2015	\$1,031,086	\$2,271,788	\$2,158,027	\$2,869,673	\$1,806,673	\$1,256,091	\$751,742	\$686,517	\$621,760	\$889,778	\$1,381,703	\$1,439,295	\$17,164,132
2016	\$1,135,306	\$1,813,107	\$2,320,417	\$2,892,090	\$1,977,341	\$1,345,248	\$860,598	\$739,002	\$719,101	\$1,196,588	\$1,557,281	\$1,572,604	\$18,128,683
2017	\$1,173,835	\$1,115,043	\$2,417,432	\$2,458,315	\$3,054,168	\$1,761,758	\$1,176,941	\$902,085	\$929,939	\$999,185	\$1,436,557	\$1,530,091	\$18,955,348
2018	\$850,806	\$2,098,049	\$2,310,012	\$3,558,035	\$2,475,752	\$1,557,545	\$1,186,264	\$856,484	\$810,621	\$1,486,663	\$1,737,825	\$1,439,130	\$20,367,185
% of 2018 Total	4.2%	10.3%	11.3%	17.5%	12.2%	7.6%	5.8%	4.2%	4.0%	7.3%	8.5%	7.1%	100.0%
Avg % of 10 yr Total	6.1%	10.2%	12.1%	16.0%	11.7%	7.1%	5.1%	4.2%	4.2%	6.1%	8.9%	8.4%	100.0%

Source: City of Scottsdale, Tax Audit Department

Note: Bed Tax increased to 5% in July 2010. Bed tax is normally received by the City the month after it is collected by the property. Therefore, the figures above generally reflect activity in the *previous month*, and do not account for late payments.

BED TAX RECEIPTS

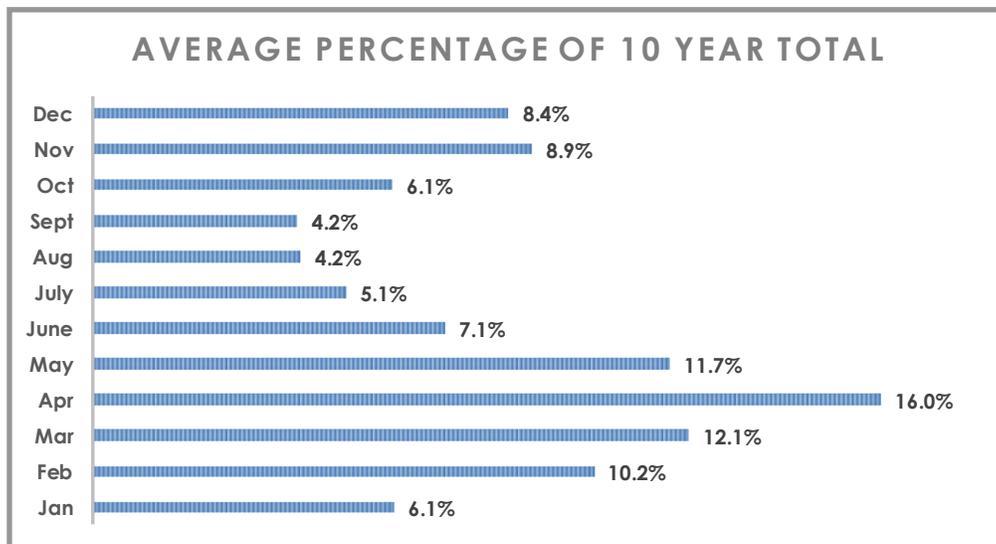
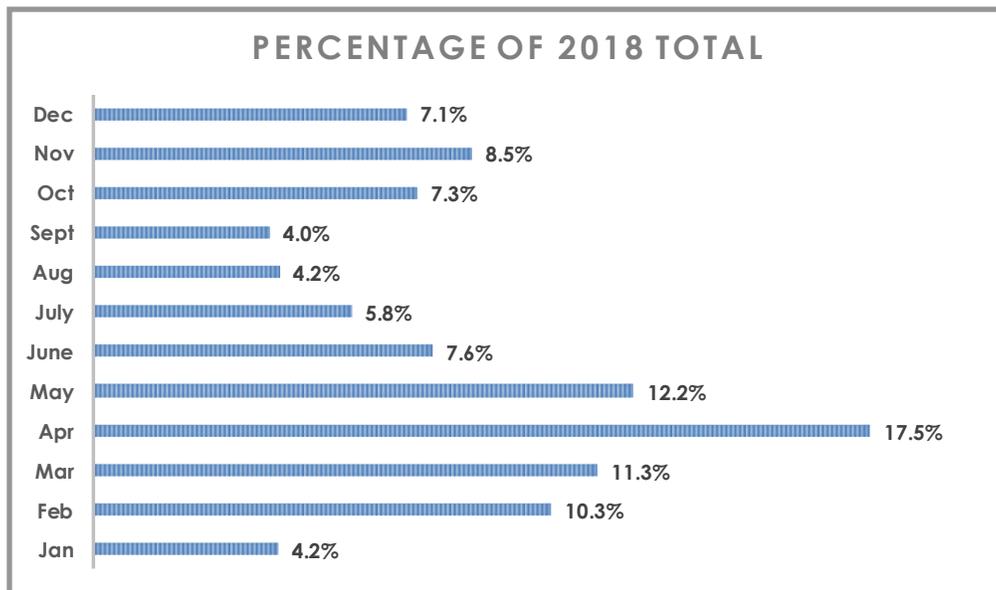
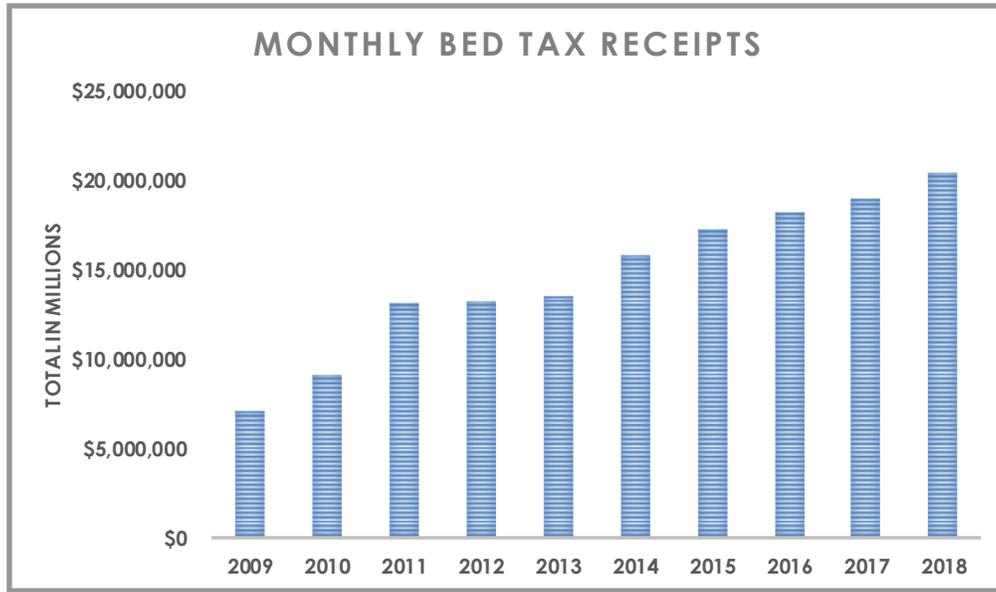
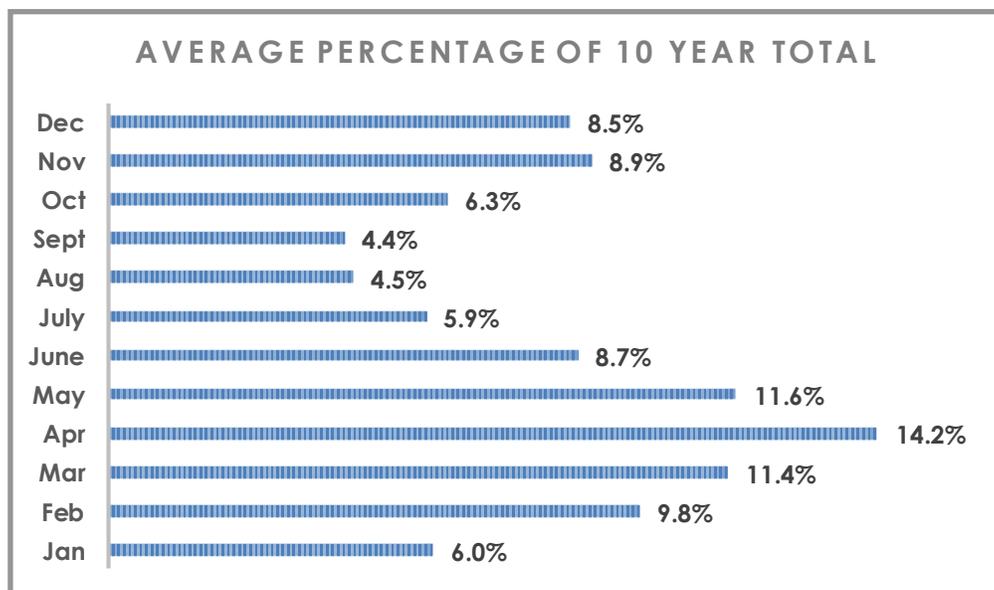
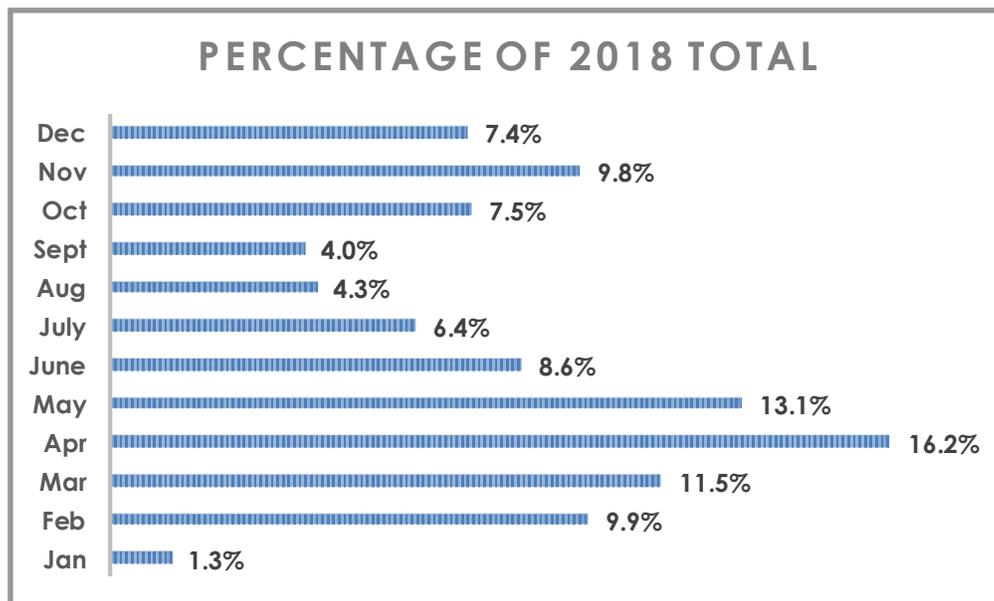


Table 3													
Monthly Hotel/Motel Sales Tax Receipts													
<i>City of Scottsdale</i>													
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2009	\$547,862	\$731,660	\$729,751	\$864,429	\$673,149	\$488,280	\$376,734	\$287,040	\$280,578	\$385,472	\$515,900	\$612,231	\$6,493,087
2010	\$440,919	\$677,912	\$735,942	\$964,132	\$740,407	\$566,477	\$414,722	\$283,426	\$280,156	\$345,904	\$647,243	\$577,022	\$6,674,262
2011	\$499,210	\$707,994	\$736,982	\$1,011,023	\$752,606	\$597,389	\$372,602	\$300,802	\$285,491	\$424,082	\$611,393	\$629,816	\$6,929,389
2012	\$474,662	\$680,046	\$839,061	\$1,077,688	\$785,028	\$587,464	\$393,480	\$287,867	\$282,906	\$414,378	\$650,994	\$548,624	\$7,022,198
2013	\$495,223	\$866,856	\$821,619	\$1,148,266	\$891,479	\$633,745	\$404,986	\$357,062	\$311,769	\$514,438	\$719,488	\$647,647	\$7,812,579
2014	\$561,978	\$757,230	\$1,049,214	\$1,204,999	\$908,191	\$762,265	\$453,178	\$315,040	\$349,931	\$521,901	\$700,189	\$767,137	\$8,351,254
2015	\$565,077	\$1,144,515	\$1,027,004	\$1,324,397	\$920,654	\$710,159	\$431,460	\$425,928	\$378,695	\$564,049	\$789,305	\$796,080	\$9,077,324
2016	\$614,097	\$882,002	\$1,168,695	\$1,276,613	\$1,011,411	\$763,035	\$501,701	\$436,264	\$406,242	\$662,319	\$876,506	\$827,046	\$9,425,931
2017	\$687,430	\$661,680	\$1,189,894	\$1,215,515	\$1,563,477	\$1,202,885	\$867,519	\$631,302	\$636,246	\$586,277	\$882,369	\$908,322	\$11,032,916
2018	\$139,701	\$1,080,220	\$1,245,076	\$1,760,062	\$1,425,266	\$930,636	\$692,150	\$467,629	\$440,245	\$818,648	\$1,062,106	\$808,788	\$10,870,524
% of 2018 Total	1.3%	9.9%	11.5%	16.2%	13.1%	8.6%	6.4%	4.3%	4.0%	7.5%	9.8%	7.4%	100.0%
Avg % of 10yr Total	6.0%	9.8%	11.4%	14.2%	11.6%	8.7%	5.9%	4.5%	4.4%	6.3%	8.9%	8.5%	100.0%

Source: City of Scottsdale, Tax Audit Department

Note: Sales tax is normally reported to the City the month after receipt. The figures listed above generally reflect activity from the *previous month*, and do not account for late payments.

SALES TAX RECEIPTS



TRENDS IN ROOM INVENTORY

Room Supply

Table 4 reflects hotel room supply inventory for the study market area since 2009. From 2010 through 2012 there were increases in room inventory with decreases in 2013 through 2016. While the Scottsdale market area has grown by nearly 354 rooms since 2009, the number of rooms within the City of Scottsdale decreased by 50 rooms in 2018. Overall, the market has grown by over 2.19 percent—354 rooms—during the past ten years.

Table 5a shows the room inventory of the City of Scottsdale by category.

Table 5b shows the room inventory of the Town of Paradise Valley by category.

Table 5c shows the room inventory of the surrounding market areas by category.

Table 4				
Hotel Inventory				
Total Hotel Market Area Properties				
Year	City of Scottsdale	Town of Paradise Valley	Other Market Area Hotels	Total
2009	9,397	1,864	4,889	16,150
2010	9,354	1,862	5,375	16,591
2011	9,332	1,864	5,539	16,735
2012	9,378	1,863	5,517	16,758
2013	9,391	1,864	5,490	16,745
2014	8,997	1,695	5,609	16,301
2015	8,971	1,697	5,593	16,261
2016	8,727	1,693	5,640	16,060
2017	8,875	2,090	5,624	16,589
2018	8,825	2,074	5,605	16,504

Source: Smith Travel Research (STR); City of Scottsdale, Tourism & Events Department
 Note: Only hotel properties with 25 or more rooms are included

Table 5a			Table 5b			Table 5c		
Room Inventory by Category			Room Inventory by Category			Room Inventory by Category		
City of Scottsdale - 2018			Town of Paradise Valley - 2018			Market Areas - 2018		
Category	# of Rooms	% of Market	Category	# of Rooms	% of Market	Category	# of Rooms	% of Market
Resort	3,920	44%	Resort	2,005	97%	Resort	3,338	60%
Full Service	1,854	21%	Full Service	43	2%	Full Service	584	10%
Limited Service	3,051	35%	Limited Service	26	1%	Limited Service	1,683	30%
Total	8,825	100%	Total	2,074	100%	Total	5,605	100%

Source: Smith Travel Research, Tourism & Events Department

Property Inventory

Table 6 lists the existing hotel properties within the Scottsdale market area. The properties are classified by facility type, and room information.

Note: Hotel classifications are Resort, Full Service, and Limited Service.

Table 6 Resort Hotel Properties Scottsdale Market Area		
Property Name	# of Rooms	Location
CIVANA Carefree	176	Carefree
Andaz Scottsdale Resort & Spa	185	Paradise Valley
Doubletree Resort Paradise Valley	378	Paradise Valley
JW Marriott Camelback Inn	453	Paradise Valley
Mountain Shadow Resort	183	Paradise Valley
Omni Scottsdale Resort & Spa at Montelucia	293	Paradise Valley
Sanctuary Resort on Camelback	109	Paradise Valley
Scottsdale Plaza Resort	404	Paradise Valley
JW Marriott Desert Ridge (Phoenix)	950	Phoenix
Orange Tree Golf Resort (Phoenix)	160	Phoenix
Royal Palms Inn & Spa (Phoenix)	119	Phoenix
The Phoenician (Phoenix)	645	Phoenix
Canyon Suites at the Phoenician	60	Phoenix
Westin Kierland Resort (Phoenix)	732	Phoenix
Fairmont Scottsdale Princess	750	Scottsdale
Four Seasons Resort	210	Scottsdale
Hilton Scottsdale Resort & Villa	235	Scottsdale
Hotel Valley Ho	240	Scottsdale
Hyatt Regency Scottsdale	493	Scottsdale
Marriott at McDowell Mountain	266	Scottsdale
Scottsdale Links Resort	221	Scottsdale
Scottsdale Resort at McCormick Ranch	326	Scottsdale
Scottsdale Villa Mirage	266	Scottsdale
Boulders Resort & Spa	160	Scottsdale
McCormick Scottsdale	125	Scottsdale
The Saguaro Hotel	194	Scottsdale
The Scott Resort & Spa	204	Scottsdale
W Scottsdale	230	Scottsdale
Talking Stick Resort (SRPMIC)	496	SRPMIC

Source: City of Scottsdale, Tourism & Events Department

Table 6 (Continued)
Full Service Hotel Properties
 Scottsdale Market Area

Property Name	# of Rooms	Location
Wekopa Resort & Conf. Center	246	Fort McDowell
CopperWynd (Fountain Hills)	32	Fountain Hills
Inn at Eagle Mountain	37	Fountain Hills
Hermosa Inn	43	Paradise Valley
Scottsdale Camelback Resort (Phx)	111	Phoenix
3 Palms Hotel	130	Scottsdale
aloft Scottsdale	126	Scottsdale
Best Western Plus Sundial	54	Scottsdale
Best Western Plus Thunderbird Suites	120	Scottsdale
Embassy Suites	312	Scottsdale
Hilton Garden Inn (Old Town)	199	Scottsdale
Hilton Garden Inn Scottsdale North	122	Scottsdale
Hospitality Suite Resort	105	Scottsdale
Magnuson Hotel Papago Inn	58	Scottsdale
Scottsdale Marriott Suites Old Town	243	Scottsdale
Sheraton's Desert Oasis	300	Scottsdale
Worldmark Scottsdale	85	Scottsdale
Courtyard by Marriott (SRPMIC)	158	SRPMIC

Source: City of Scottsdale, Tourism & Events Department



Table 6 (Continued)
Limited Service Hotel Properties
 Scottsdale Market Area

Property Name	# of Rooms	Location
Comfort Inn (Fountain Hills)	48	Fountain Hills
Lexington Hotel and Suites	104	Fountain Hills
Smoke Tree Resort	26	Paradise Valley
Courtyard by Marriott (North)	153	Phoenix
Fairfield Inn (North)	130	Phoenix
Hampton Inn/Suites (North)	123	Phoenix
Sleep Inn (Phoenix)	107	Phoenix
Springhill Suites Marriot (Phoenix)	121	Phoenix
Comfort Suites Old Town	60	Scottsdale
Courtyard Scottsdale at Mayo Clinic	124	Scottsdale
Courtyard Scottsdale Old Town	180	Scottsdale
Days Inn & Suites Scottsdale	47	Scottsdale
Extended Stay America	120	Scottsdale
Extended Stay America Old Town	121	Scottsdale
Extended Stay America Scottsdale	106	Scottsdale
Hampton Inn Scottsdale at Shea	150	Scottsdale
Holiday Inn & Suites (N. Airpark)	117	Scottsdale
Holiday Inn Express North	122	Scottsdale
Holiday Inn Express Scottsdale Old Town	169	Scottsdale
Homewood Suites Hotel	114	Scottsdale
Hotel Adeline	213	Scottsdale
Howard Johnson Scottsdale	65	Scottsdale
Hyatt House Old Town	164	Scottsdale
Hyatt Place Scottsdale/Old Town	126	Scottsdale
La Quinta Inn & Suites	140	Scottsdale
Motel 6	122	Scottsdale
Residence Inn North by Marriott	120	Scottsdale
Residence Inn Scottsdale by Marriott	122	Scottsdale
Scottsdale Park Suites	95	Scottsdale
Scottsdale Suites on Shea	162	Scottsdale
Sonesta Suites Scottsdale Gainey Ranch	162	Scottsdale
TownePlace Suites by Marriott	130	Scottsdale
Hampton Inn/Suites (SRPMIC)	101	SRPMIC
aloft Tempe	136	Tempe
Best Western Inn of Tempe	103	Tempe
Comfort Inn & Suites (Tempe)	82	Tempe
Hampton Inn & Suites (Tempe)	117	Tempe
Motel 6 (Tempe)	100	Tempe
Ramada Tempe	140	Tempe
Red Lion Inn & Suites	118	Tempe

Source: City of Scottsdale, Tourism & Events Department

AVERAGE ROOM RATES AND OCCUPANCY

Average Room Rates

The Tourism and Events Department uses data from Smith Travel Research (STR). This research provides the city an indication of trending and competitive performance.

Chart 1 illustrates the average room rates within the Scottsdale Market area since 2009. Table 7 represents the same data. Smith Travel Research reported the average room rate for Scottsdale/ Paradise Valley Market area hotels in 2018 was \$200.85 up from \$195.03 in 2017.

Average Occupancy

According to STR, hotels in the Scottsdale/Paradise Valley Market area experienced an occupancy rate of 70 percent in 2018, an increase from 68.3 percent in 2017.

Occupancy rates for the last ten years are shown on Table 7 (p. 20) & illustrated in Chart 1.

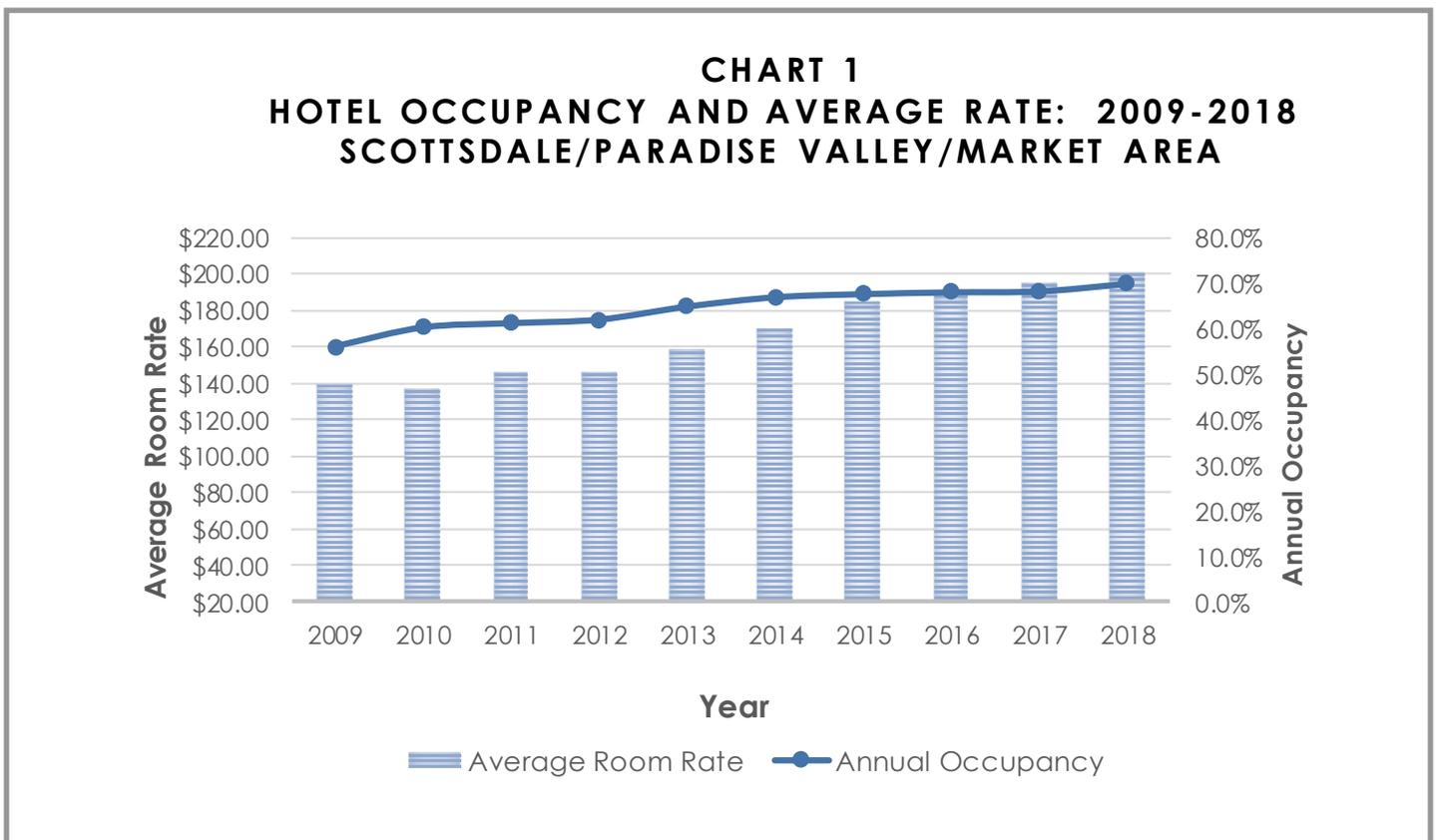


Table 7
Occupancy & Average Rate

Scottsdale/Paradise Valley Market Area

Year	Avg. Room Rate	x	Occupied Rooms	=	Gross Room Revenue	Room Supply	Annual Occupancy*
2009	\$139.28	x	2,327,536	=	\$324,179,214	4,154,413	56.0%
2010	\$136.99	x	2,508,930	=	\$343,698,321	4,163,920	60.3%
2011	\$145.98	x	2,524,950	=	\$368,592,201	4,135,976	61.0%
2012	\$145.65	x	2,719,641	=	\$396,115,712	4,385,540	62.0%
2013	\$158.07	x	3,019,156	=	\$477,237,989	4,653,621	64.9%
2014	\$169.90	x	3,063,936	=	\$520,562,726	4,573,697	67.0%
2015	\$184.85	x	2,947,480	=	\$544,841,678	4,354,775	67.7%
2016	\$188.29	x	2,960,277	=	\$557,390,556	4,349,800	68.1%
2017	\$195.03	x	2,998,666	=	\$584,829,830	4,389,632	68.3%
2018	\$200.85	x	3,127,541	=	\$628,166,610	4,470,651	70.0%

Source: Smith Travel Research

*Occupied Rooms divided by Room Supply



ROOM REVENUES VERSUS TOTAL HOTEL REVENUES

Table 8 compares the total room revenues to total hotel revenues for Scottsdale hotels, thereby providing a means of assessing the relative importance of room revenues compared to all other revenue sources within the hotels (food, beverage, gift shop, and recreational sales).

The percentage of room revenue to total hotel revenues for the City of Scottsdale in 2017 was 57.6 percent. Over the past ten years, room revenues provided an average of 61.3 percent of total hotel revenues at Scottsdale properties. Since 2009, room revenues as a percentage of total hotel revenues have ranged from 57.6 to 62.6 percent.

Table 8			
Room Revenue vs. Total Hotel Revenue*			
<i>City of Scottsdale</i>			
Year	Total Room Revenue	Total Hotel Revenue	Room Revenue as % of Hotel Revenue
2009	\$226,988,494	\$366,964,525	61.9%
2010	\$248,254,906	\$403,369,537	61.5%
2011	\$253,335,435	\$404,786,981	62.6%
2012	\$258,773,205	\$420,922,106	61.5%
2013	\$279,154,011	\$458,400,027	60.9%
2014	\$305,272,815	\$499,758,658	61.1%
2015	\$331,569,021	\$539,561,719	61.5%
2016	\$351,842,465	\$559,789,177	62.9%
2017	\$360,302,284	\$623,600,905	61.5%
2018	\$383,138,481	\$664,803,587	57.6%

Source: City of Scottsdale, Financial Services Department, Tax Audit Division

*Based on revenues generated at properties within the City of Scottsdale

In 2018 resort properties comprises the largest segment of bed tax (65%), privilege tax (73%) and total revenues paid (68%). Resorts comprise 44% of Scottsdale properties. Table 9 and Chart 2 present a comparison of total room revenues, total bed tax paid, and total privilege tax paid for Resort, Full Service, and Limited Service hotel/motels for calendar year 2018.

Note: Tables 8 and 9 refer solely to properties within Scottsdale. These properties are listed in the Scottsdale section of Table 1 page 8.

Table 9			
Hotel Revenue Streams			
<i>City of Scottsdale</i>			
For 12 months ending December 2018			
	Total Revenues Paid	Bed Tax Paid	Privilege Tax Paid
Resort	68%	65%	73%
Full Service	13%	14%	11%
Limited Service	19%	21%	16%
Total	100%	100%	100%

Source: City of Scottsdale, Financial Services Department, Tax Audit Division

Note: Percentages may not add up to 100% due to rounding

