



Good data + Good analysis = Correct narrative = Good policy

Government must be responsive **both to the public narrative as well as the practical reality of the local economy**. When these differ, it can prevent common sense policies from being adopted. Investing in analysis is a tool for combating and/or affirming narratives with data, enabling policy that reflects realities.

- What are the **top narratives** that currently dominate public concern about the economy?
 - _____
 - _____
 - _____
 - _____

- What do you feel are the **top practical concerns** being faced by local regulators?
 - _____
 - _____
 - _____
 - _____

Examples of potential issues:

- Economic Diversification
- Economic Inequality
- Demographic Challenges
- Short-Term Rental Policy
- Housing Affordability
- Infrastructure
- Environmental Degradation
- Consumer Prices
- Tourism Impact
- Labor Shortages



Scan this Breakout QR to:

1. Get today's slides
2. Schedule a meeting to discuss your region's data needs with our research team

AND / OR:

Reach out to Kristen:
kristen@beaconecon.com

Example Reports

Monterey County Trends

Analyzing the Cities, Unincorporated Regions, and Districts



Los Angeles Fashion BID

Regional Intelligence and Policy Analysis

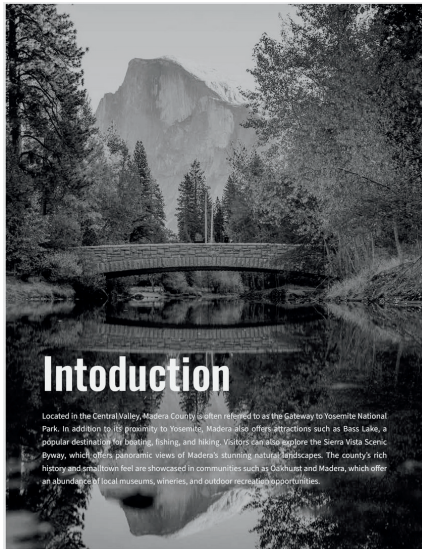


The Impact of Diverse Small Businesses in California

Statewide Study



Case Study



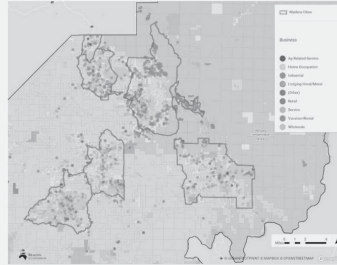
Introduction

Located in the Central Valley, Madera County is often referred to as the Gateway to Yosemite National Park. In addition to its proximity to Yosemite, Madera also offers attractions such as Bass Lake, a popular destination for boating, fishing, and hiking. Visitors can also explore the Sierra Vista Scenic Byway, which offers panoramic views of Madera's stunning natural landscapes. The county's rich history and small-town feel are showcased in communities such as Oakhurst and Madera, which offer an abundance of local museums, wineries, and outdoor recreation opportunities.

Beacon Economics was approached by Visit Yosemite and Madera's County Supervisors to conduct a study on the region's short-term rental (STR) market. The County sought data to inform the policy changes they intend to implement. The community narrative was that STR were impacting sewage systems, increasing crime, and making housing more expensive.

In light of its many attractions, it's no surprise that short-term rentals in Madera have boomed in recent years. However, this growth has sparked mixed reactions. Supporters point to the popularity of short-term rentals with visitors, and the opportunity they provide for homeowners and tenants to earn extra income. Short-term rentals offer a range of lodging options, often in areas with limited alternatives for travelers. On the other hand, opponents argue that short-term rentals are changing the character of neighborhoods and contributing to housing shortages, in turn driving up local rents and house prices.

Map of Madera County's Mountain Region



Lodging Alternatives in Madera County

Short-term rentals provide a range of accommodations, sometimes in places with few other options. Madera County has several notable hotels, most of which are located in Oakhurst. In fact, the three largest hotels in the county have opened in the last five years.¹ Oakhurst is also home to most of Madera's short-term rentals, accounting for nearly half (46%) of unique active listings through the first seven months of 2024. Unlike traditional hotels, which have a finite number of rooms, short-term rentals offer a wide variety of property types, providing visitors with a broad range of options. Typically, more people can stay in a short-term rental than a hotel room because they tend to be much larger. This implies that short-term rentals cater to a different market than hotels while also contributing to the generation of TOU. In other words, short-term rentals complement rather than cannibalize the traditional lodging industry. The average size of short-term rentals has also increased significantly over time. On average, short-term rentals in Madera County have 2.65 bedrooms, and have averaged about two bedrooms since early 2016.

¹ "New Development in Oakhurst Brings Historic Local Businesses," ABC30, November 7, 2019. <https://abc30.com/oakhurst-development-businesses-madera-county-construction-10377362/>.

SHORT-TERM RENTAL UNITS NARRATIVES VS. REALITY

Top Largest Hotels in Madera County

Address	Total Building SF	Acres	Rooms
317 N G St, Madera CA 93637	88,130	1.2	97
3254 Airport Dr, Madera CA 93637	66,380	1.6	78
4044 Highway 41, Oakhurst CA 93644	66,688	1.9	81
1219 Almond Ave, Madera CA 93637	62,005	3.3	88
48029 Highway 41, Oakhurst CA 93644	60,576	2.1	148
40780 Highway 41, Oakhurst CA 93644	59,424	2.0	111
40740 CA-41, Oakhurst CA 93644	59,344	2.0	112
2290 Marketplace Dr, Madera CA 93637	52,291	1.4	62
309 Prosperity Blvd, Chowchilla CA 93620	48,267	1.5	63
48800 Royal Oaks Dr, Oakhurst CA 93644	45,320	3.9	70

Source: Moody's Analytics. Analysis by Beacon Economics.

Unique Active Listings in 2024* - Top 5

City	Count	Share of County (%)
Oakhurst	886	46.3
Bass Lake	356	18.5
Chowchilla	211	11.0
Madera	144	7.5
Alhambra	128	6.7

* Through July. Source: ACRMA. Analysis by Beacon Economics.

So far, short-term rentals have been discussed without distinguishing the different types of housing used in Madera County. Among the property types listed in ACRMA, traditional homes comprise the largest share, rising from 108 listings in 2015 to 1,041 in 2023. (The table below shows a slight decrease in listings for 2024, but this is because it displays unique listings and 2024 is incomplete). Cabins, the second-largest housing type, have also seen substantial growth, increasing from 26 listings in 2015 to 410 in 2023. This indicates a strong preference for cabin-style properties, likely driven by the demand

The case study of Madera County's STR market showcases its growth and economic impact. Since regulatory changes in 2017, the county has seen STR listings increase by 65%, fueled by platforms like Airbnb and Vrbo. Today, Madera boasts over 1,600 active listings, with Oakhurst and Bass Lake leading the market. The sector contributes nearly 10% of the county's tax revenue, driven by a 9% transient occupancy tax. While concerns persist regarding housing supply and community disruption, the data reveals stability in housing use and minimal complaints. Despite increasing competition and pressure on revenues, Madera's STR market remains resilient, balancing economic benefits with community considerations.

The County intends to publish the report for community comment and **use the data to inform their policy change recommendations**, including increasing the business license fee to operate a STR in the county. Other possible policy changes could include increasing enforcement on unlicensed STRs, incentivizing fire-resistant upgrades, monitoring and managing septic system use, and reinvesting tax revenues into local infrastructure. The study is expected to be published next month in coordination with the Town Hall meetings.

