



**CITY OF SANTA CLARITA
TOURISM MARKETING DISTRICT (TMD)**

2018-2019
Annual Report

2019-2020
Initiatives and Budget

Tourism Marketing District Overview

BACKGROUND

The Santa Clarita Tourism Marketing District (TMD) was formed in May 2010 in accordance with the Parking and Business Improvement Area Law of 1989, Part 6 of Division 18 of the California Streets and Highways Code (1989 Law) and the provisions of the California Constitution Article XIID (Proposition 218).

The TMD allows assessed lodging businesses within the City of Santa Clarita to support efforts to increase tourism in the City, which in turn increases hotel room night stays and, therefore, increases transient occupancy tax (TOT) revenue back to the City.

Lodging businesses are assessed a 2 percent fee on each room night. The TMD uses these dollars to fund programs, services and special events that will deliver incremental new room night sales to its assessed members. TMD works to create strong, measurable results in bringing more visitors to Santa Clarita.

2018-19 ADVISORY BOARD

The TMD Advisory Board, appointed by the City Council of the City of Santa Clarita, annually reviews and makes appropriate recommendations to the City Council by an Annual Report regarding the use of funds collected through TMD assessments. The Advisory Board consists of one specified representative from each of the participating hotels within the Hotel Tourism Marketing Benefit Zone, as well as two City representatives selected by the City Manager.

The following table lists the entities currently represented on the Advisory Board:

BOARD MEMBER	ORGANIZATION
Alissa Elhelou, General Manager	Courtyard by Marriott
Billy Dye, General Manager	Embassy Suites
Karina Winkler, General Manager	Holiday Inn Express
Mark Kirsch, General Manager	Hyatt Regency Valencia
Jason Crawford, Marketing, Economic Development & Planning Manager	City of Santa Clarita
Evan Thomason, Economic Development Associate	City of Santa Clarita

ANNUAL REPORT

This report, prepared on behalf of the Advisory Board, provides a recap and overall description of the proposed activities to be funded by the assessments, the estimated annual budget of expenses and estimated revenues for Fiscal Year 2019-20 (commencing July 1, 2019 and ending June 30, 2020).



Summary of Services & Activities

The TMD funds various services and activities which bring special benefit to the TMD hotels. These services include, but are not limited to:

- Promotion of City of Santa Clarita through financial support of key regional and national events that support tourism
- Development and implementation of destination marketing strategy and promotion designed to increase visitor attraction to City of Santa Clarita
- Development and undertaking of advertisement and public relations program focused on business and leisure travel
- Support and funding of the Summer Trolley program
- Attendance at key meeting and event producer trade shows

Assessment fees are dedicated to securing visitors and room nights through a mix of marketing programs, projects and activities, including: marketing promotion, advertising, public relations, visitor services, market research, partnership marketing, and special events promotion.

Programs and advertising opportunities implemented during fiscal year 2018/19 include:

- Tourism advertising campaigns via digital media targeting the drive-market (400-mile radius)
- Pace Bike Share program
- Summer trolley program
- Attended business development tradeshow and market forums including California Society of Association Executives Seasonal Spectacular, Discover Los Angeles Market Outlook Forum, Visit California Outlook Forum, and IPW inbound travel tradeshow.



From amateur events to regional and national championships, Santa Clarita is a premier sporting destination. Sports Tourism is the fastest growing sector in the global travel industry and the TMD has funding available to bring more sporting events to town. Events that Santa Clarita has been able to pursue as a direct result of the established district include, but are not limited to:

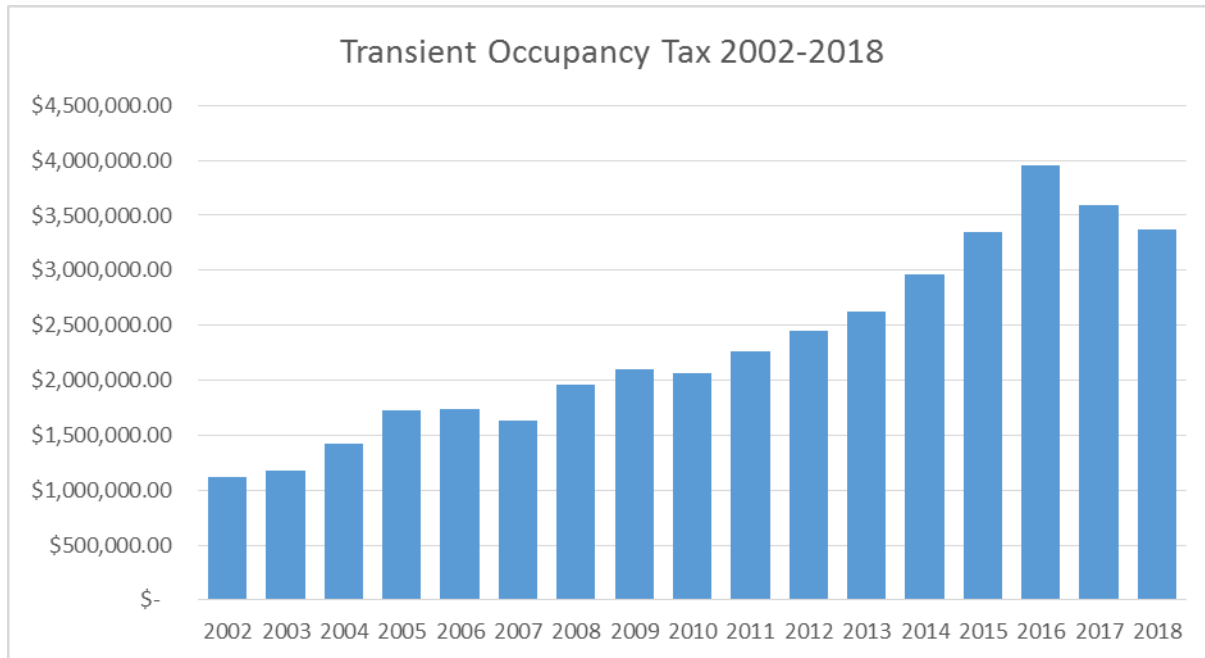
- Southern California Community College Cross Country Championship
- Hollywood Curling Summer Blockbuster Bonspiel
- Flag Football World Championship Tour
- Los Angeles Spartan Race
- Amgen Tour of California
- CA Youth Chess League Scholastic Championship



Transient Occupancy Tax (TOT)

2002 - 2018

In the City of Santa Clarita, the Transient Occupancy Tax is 10 percent, paid by each tourist (transient) to the operator of the lodging establishment. The revenues from the TOT go to the City of Santa Clarita's general fund. In FY 2018-19, \$3,365,692 was generated.



SANTA CLARITA LODGING PERFORMANCE

YEAR TO DATE	2018	2019 (as of 4/30/19)
Average Occupancy	77.8%	81.3%
Average Daily Rate (ADR)	\$134.63	\$147.51
Average RevPar	\$104.80	\$119.95

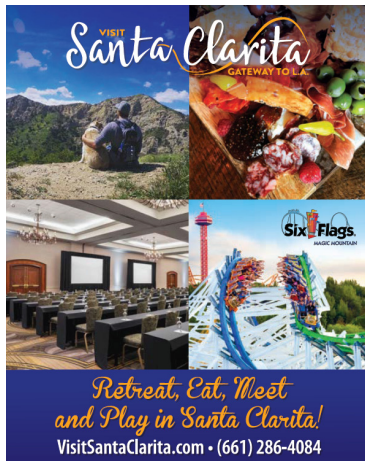


Advertising

TMD dollars successfully launched comprehensive multi-media advertising campaigns, inclusive of print, digital ad networks, and social media outlets to attract visitors during the off season (September thru March). Marketing efforts focused on existing feeder markets within a 400-mile radius of Santa Clarita. TMD dollars allow simultaneous efforts to market to different audiences: direct consumer/leisure travelers, corporate meeting and conference planners, and sports tourism event producers. A marketing campaign results in successful branding, measurable hotel room bookings, substantial increase in year over year traffic to the Tourism website, and increased corporate meetings and events. The upward momentum of using TMD funds to market Santa Clarita as a destination continues to prove successful.

Media Strategy

- Focus media plan on conversions through digital channels including display, mobile, video, email and social units
- Geo target plan with heavy emphasis on top-performing California markets
- Deliver ads to contextually relevant placements through pre-determined content categories: family fun, outdoor adventure, entertainment and thrills.
- Target known audience in the market for Los Angeles-area travel
- Drive social interaction through use of sweepstakes



2018-19 Campaign Results

EMAIL CAMPAIGN

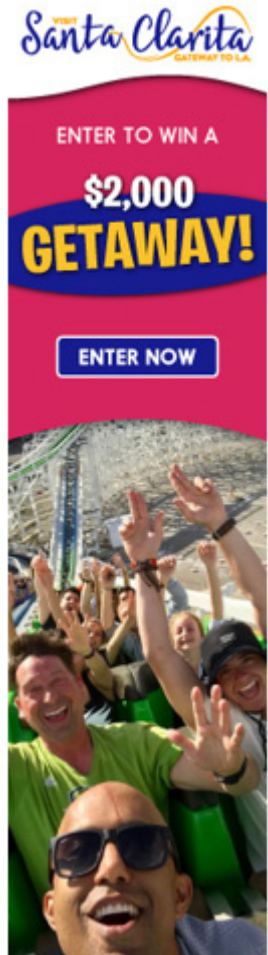
(10/11, 11/8, 12/6/2018)
Deployment per email: 70,000
Total deployment: 210,000

NON-SWEEPSTAKES CAMPAIGN

(10/1-12/31/2018, 1/1-2/15/2019)
Traffic directed to 'Plan' landing page
31,244 sessions on 'Plan' landing page
15,416,637 campaign impressions
.57% click-thru rate

SWEEPSTAKES

(1/8, 2/6/2019)
Traffic directed Facebook contest form
6,465 contest entries (38% increase)
2,291 page 'Likes' generated
11,497,049 campaign impressions
.62% click-thru rate



Social Media Channels



FACEBOOK

30,699 followers
(7% increase from 28,591)



TWITTER

4,415 followers
(11% increase from 3,955)



INSTAGRAM

2,683 followers
(46% increase from 1,829)



2019-20 Initiatives

The Santa Clarita Tourism Marketing District objective remains to increase overall demand for overnight visitation (leisure, group and meeting business) during the shoulder season (September thru March). Santa Clarita is primed to attract an increasing number of tourists in FY 2019-20 with the continued year-round Six Flags Magic Mountain schedule, new attraction (West Coast Racers opening this year), the summer season of Six Flags Hurricane Harbor, through partnerships with meeting planner organizations such as HelmsBriscoe and CVENT, use of interactive social media tools, and a robust Visit Santa Clarita marketing campaign that will ensure an enhanced California marketplace presence.

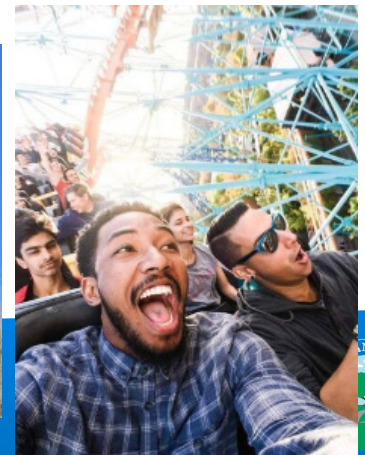
Business Driven Sales & Advertising

- Create incentives to attract meeting professionals and increase bookings
- Seek trade shows that provide the most opportunity for convention/meeting lead generation
- Continue to create engaging and informative online assets to attract new customers
- Focused marketing efforts directed at drive and feeder markets
- Continue efforts on conversions through digital channels including display, mobile, video, email and social units including geo-targets with heavy emphasis on top-performing California markets.

Destination & Partnership Development

- Expand cooperative marketing initiatives and partnership opportunities
- Support public relations initiatives to drive visitation and economic development
- Event Attraction

The TMD regularly supports large-scale sporting and other events such as the Amgen Tour of California and California Beer Festival's Boots & Brews. These events not only make a positive economic impact to the City, but has made Santa Clarita known as a city that produces quality regional events with strategic partnerships. The TMD also works on growing existing annual events and developing new tournaments. Special events held in 2018 brought in over 3,500 room nights to the Santa Clarita TMD Hotels.



2019-20 FY BUDGET

Funding Source: General Fund
Miscellaneous Grants
Tourism Marketing District Fund

Account Number: 11305

Personnel		
5002.001	Part-Time Staff	\$25,958
Operations & Maintenance		
5101.001	Publications & Subscription	\$600
5101.002	Membership & Dues	\$1,610
5101.004	Printing	\$5,000
5111.001	Special Supplies	\$1,000
5161.001	Contractual Services	\$90,000
5161.002	Professional Services	\$145,000
5161.004	Advertising	\$194,505
5161.008	Graphic Design Services	\$15,000
5191.001	Travel & Training	\$7,500
5191.004	Auto Allowance & Mileage	\$200
Total Operations & Maintenance		\$460,415
Beginning Fund Balance 7/1/2019		\$1,047,581
2019-20 Revenue		\$604,015
2019-20 Expenditures		\$614,061
Estimated Ending Fund Balance 6/30/2020		\$1,037,535

