



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

2020 - 2021  
Annual Report

2021 - 2022  
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 XIIIID (Proposition 218).

The TMD allows assessed lodging businesses within the City of Santa Clarita (City) 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. The TMD works to create strong, measurable results in bringing more visitors to Santa Clarita.

## 2020-21 ADVISORY BOARD

The Advisory Board consists of one specified representative from each of the participating hotels within the Hotel Tourism Marketing Benefit Zone and two City representatives selected by the City Manager.

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

<b>ORGANIZATION, BOARD MEMBER, &amp; TITLE</b>
<b>Best Western</b> - Liz Vargas, General Manager
<b>Courtyard by Marriott</b> - Alissa Elhelou, General Manager
<b>Embassy Suites</b> - Billy Dye, General Manager
<b>Holiday Inn Express</b> - Karina Winkler, General Manager
<b>Homewood Suites   Hampton Inn</b> - Lawrence Barr, General Manager ( <i>opening in 2021</i> )
<b>Hotel Lexen</b> - Art Bhakta, Manager
<b>Hyatt Regency</b> - Tom Clearwater, General Manager
<b>SpringHill Suites   Residence Inn</b> - Shannon Hillygus, General Manager ( <i>opening in 2021</i> )
<b>City of Santa Clarita</b> - Jason Crawford, Economic Development, Marketing & Planning Manager
<b>City of Santa Clarita</b> - Evan Thomason, Economic Development Associate

## ANNUAL REPORT

This report 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 2021-22 (commencing July 1, 2021, and ending June 30, 2022).

# 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 the 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 the 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 marketing programs, projects, and activities including: marketing promotion, advertising, public relations, visitor services, market research, partnership marketing, and special events promotion.

## Programs and Services for Fiscal Year 2020-21

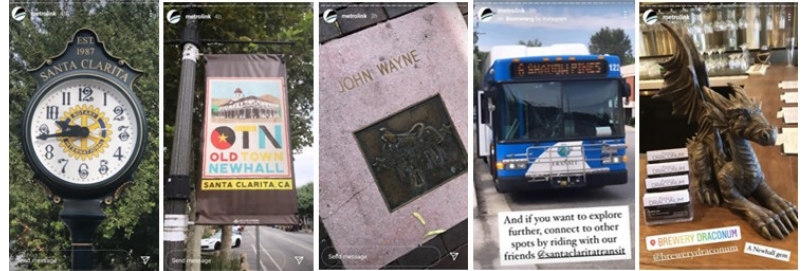
In response to the COVID-19 pandemic, the TMD paused the annual paid digital advertising campaign and focused on owned media that was used to boost internet visibility. The campaign features new website pages that focus on the latest restaurant takeout/delivery services and current outdoor activities.

Programs and advertising opportunities implemented during Fiscal Year 2020-21 included:

- A local and regional tourism advertising campaign ran for 2.5 months that encouraged residents to explore their own city. The regional campaign was aimed at attracting visitors from the drive market. (A more robust campaign usually runs spring through fall.)
- Virtually attended business development conferences and tradeshow to attract tourism, meeting, and sporting events including: California Society of Association Executives Seasonal Spectacular, TEAMS, Discover Los Angeles Market Outlook Forum, and Visit California Outlook Forum.



- Worked with Metrolink to film content in Old Town Newhall for their *Explore Southern California* advertising campaign. Old Town Newhall and several area businesses, including Brewery Draconum and Egg Plantation, were added to their destinations landing page. Metrolink also promoted the area through their Instagram stories, which has over 24,000 followers.



- Sponsored three at-home beer festivals that were live-streamed and featured local breweries: Pocock, Brewery Draconum, Telco, and Wolf Creek. As the presenting sponsor, the Visit Santa Clarita logo was placed on all emailed communications and advertisements. A Santa Clarita segment included: Top 5 Things to Do in Santa Clarita, area hotel information, and a Santa Clarita swag bag giveaway (Visit Santa Clarita-branded shopping and lunch totes, pens, etc.)



### Sports Tourism

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. Some of the events that Santa Clarita has pursued as a direct result of the established district include:

- 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



### TEAMS '20 Conference

Staff attended the virtual TEAMS '20 conference and met 1:1 with 40 sports event planners. The conference yielded leads to several events including softball, spikeball,

lacrosse, rugby, skateboarding, and artistic swimming, as well as events that can be held at The Cube Ice and Entertainment Center (hockey, curling, wrestling).

One of the meetings from TEAMS '20 led to a FAM (familiarization) tour which tourism staff coordinated for ISPS (International Slow Pitch Softball), an organization whose teams play all over the world. The organization directors flew from Miami, stayed in a TMD hotel, met with Tourism, Reservations, and Parks staff, and were given a tour of Santa Clarita with a focus on area hotels and the softball fields at Central Park. The FAM trip resulted in a homerun derby at Central Park. The directors called Central Park “magnificent” and said they are ready and looking forward to bringing tournaments to Santa Clarita as soon as restrictions allow.

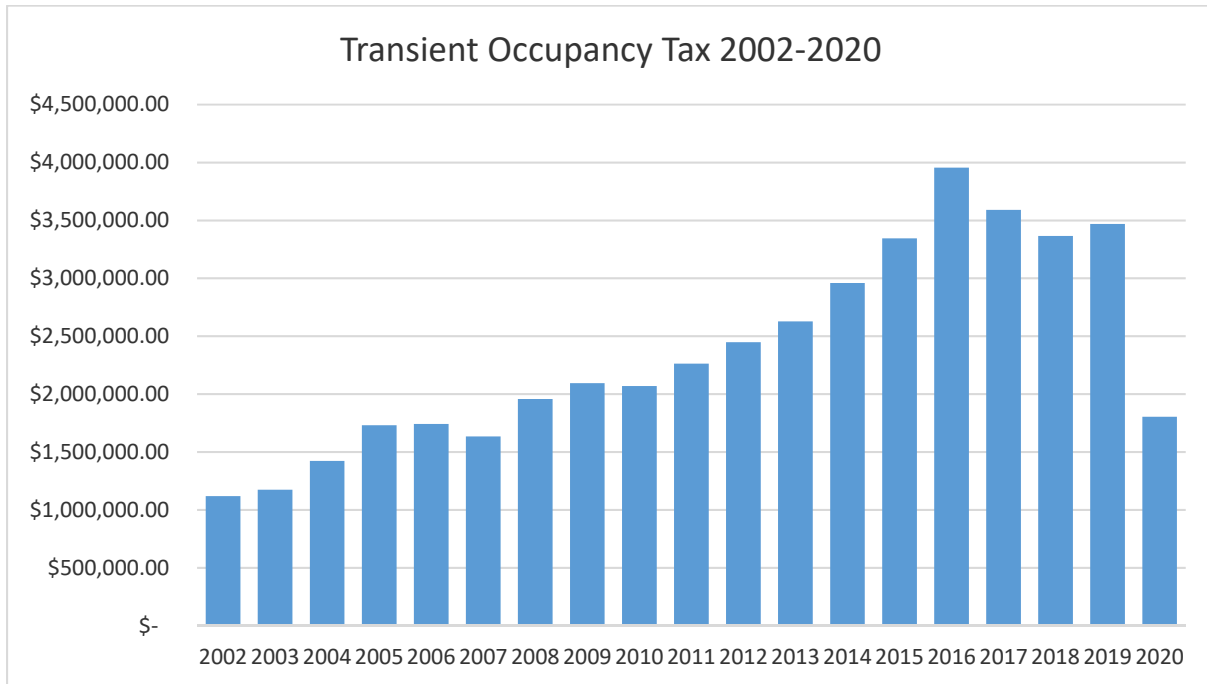
#### *The Cube Ice and Entertainment Center*

Tourism staff was involved in the research leading up to the acquisition of the ice rink, and worked alongside other City staff to get the Cube reopened under City ownership. TMD hotel general managers and sales staff are looking forward to the return of tournaments and special events to the facility which will bring overnight stays to their properties. It is envisioned that, in time, ice coverings will be used temporarily to take advantage of the large space to host non-ice related sports tournaments and events. Tourism staff will work with The Cube’s general manager and staff to attract events that will benefit the facility, as well as the local TMD hotels.

# Transient Occupancy Tax

## 2002 - 2019

In the City of Santa Clarita, the Transient Occupancy Tax (TOT) is 10 percent, paid by each hotel room occupant (transient) to the operator of the lodging establishment. The revenues from the TOT go to the City’s General Fund. In calendar year 2020, \$1,803,816.88 was generated.



## SANTA CLARITA LODGING PERFORMANCE FROM 1/2021 STR REPORT (City of Santa Clarita+)

2020 CALENDAR YEAR	2020	2021
Average Occupancy	59.4%	51.1%
Average Daily Rate (ADR)	\$105.42	\$146.97
Average Revenue Per Available Room (RevPar)	\$114.76	\$53.82

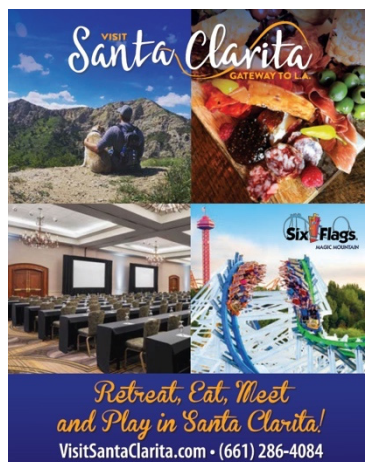
While 2020 lodging performance began strong and on par with previous years, the COVID-19 pandemic significantly shook the lodging industry and diminished occupancy rates. However, as restrictions are lifting and travel interest building, hotels in the City are faring better than the Los Angeles region and State of California as a whole. As a comparison to the 2021 numbers above, occupancy in the U.S. was 47.5%, in California 49.4% and Los Angeles 51.4%. ADR in the U.S. was \$97.70, in California \$112.40 and Los Angeles \$118.

# 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, 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

- Highlight the primary differentiating factors that Santa Clarita offers to leisure travelers (geography/proximity, value, experiences unique to the region)
- Target the drive-market audience with engaging advertising that directs users to the content published on VisitSantaClarita.com (thrills, outdoor adventure, family fun, and entertainment)
- 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



# 2020 Leisure Campaign Results

## DIGITAL DISPLAY

(8/24/20-10/31/20)

3,557,080 impressions (Local)

3,966,282 (Regional)



## Social Media Channels



FACEBOOK

31,628 followers



TWITTER

4,533 followers



INSTAGRAM

5,051 followers



# FY 2021-22 Initiatives

In September 2020, the Hotel Lexen opened in Old Town Newhall, adding 42 rooms to the area's inventory. In April 2021, the existing Holiday Inn Express was rebranded as a Best Western Plus and a new Holiday Inn Express opened, adding 110 rooms. During the 2021-22 fiscal year, it is anticipated that four additional hotels, which have been under construction for the past couple of years, will open their doors, adding 382 more rooms and bringing on new TMD advisory board members.

The soon-to-open hotels are:

- Springhill Suites | Residence Inn (27413 Wayne Mills Place) 196 rooms
- Homewood Suites | Hampton Inn (28700 Newhall Ranch Road) 186 rooms

In light of the COVID-19 pandemic and resulting devastating effects on the hospitality industry, TMD objectives focus on using every resource possible for recovery, as travel restrictions ease and attractions, restaurants, and events welcome visitors again. According to Tourism Economics, cities (like Santa Clarita) that do not have a high dependency on long-haul international visitors are in a position to recover faster. Domestic travel will be equally important to the recovery of city tourism. Shifting travel restrictions and social distancing measures will be considered, but ultimately the TMD will focus on the following:

## Business-Driven Sales & Advertising

- Focus 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
- Continue to create engaging and informative online assets to attract new customers
- Create incentives to attract meeting professionals and increase bookings
- Seek trade shows that provide the most opportunity for convention/meeting lead generation

## 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, including concerts and meetings. These events not only provide a positive economic impact to the City, but have made Santa Clarita known as a city that produces quality regional events with strategic partnerships. The TMD will work on bringing back and growing annual events and developing new tournaments, including those that can be accommodated at The Cube. Although there were no significant events held in 2020, events held in 2019 brought in over 5,955 room nights to the Santa Clarita TMD Hotels. The TMD will strive to reach those numbers in the coming years.

# FY 2021-22 BUDGET

<b>Funding Source: General Fund</b>		
<b>Miscellaneous Grants</b>		
<b>Tourism Marketing District Fund</b>		
<b>Account Number: 11305</b>		
<b>Personnel</b>		
<b>5002.001</b>	Part-Time Staff	\$26,607
<b>Operations &amp; Maintenance</b>		
<b>5101.002</b>	Membership & Dues	\$5,610
<b>5101.004</b>	Printing	\$5,000
<b>5111.001</b>	Special Supplies	\$1,000
<b>5161.001</b>	Contractual Services	\$90,000
<b>5161.002</b>	Professional Services	\$145,000
<b>5161.004</b>	Advertising	\$194,505
<b>5161.008</b>	Graphic Design Services	\$11,600
<b>5191.001</b>	Travel & Training	\$7,500
<b>5191.004</b>	Auto Allowance & Mileage	\$200
<b>Total Operations &amp; Maintenance</b>		<b>\$460,415</b>
<b>Beginning Fund Balance 7/1/2021</b>		<b>\$407,164</b>
<b>2021-22 Revenue</b>		<b>\$639,073</b>
<b>2021-22 Expenditures</b>		<b>\$569,269</b>
<b>Estimated Ending Fund Balance 6/30/2022</b>		<b>\$476,967</b>