



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

2021 - 2022
Annual Report

2022 - 2023
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 two-percent fee for 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.

2021-22 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:

ORGANIZATION, BOARD MEMBER, & TITLE
Best Western – Karina Winkler, General Manager
Courtyard by Marriott - Alissa Elhelou, General Manager
Embassy Suites - Billy Dye, General Manager
Holiday Inn Express - Karina Winkler, General Manager
Homewood Suites - Lawrence Barr, General Manager
Hotel Lexen – Vimal Desai, Owner
Hyatt Regency - Tom Clearwater, General Manager
SpringHill Suites Residence Inn - Shannon Hillygus, General Manager
City of Santa Clarita - Jason Crawford, Economic Development, Marketing & Planning Manager
City of Santa Clarita - 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 2022-23 (commencing July 1, 2022, and ending June 30, 2023).

Summary of Services & Activities

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

- Promotion of the City 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
- Development and undertaking of advertisement and public relations program focused on business and leisure travel
- Support and funding of the Summer Visitor 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. This year, TMD reserve funds were used for infrastructure improvements at The Cube Ice and Entertainment Center to facilitate its opening for tournaments.



Programs and Services for Fiscal Year 2021-22 included:

- Tourism advertising campaigns, via digital media, targeting leisure travelers in the drive-market (400-mile radius)
- Summer Visitor Trolley program
- Attended business development tradeshows and market forums including: California Society of Association Executives Seasonal Spectacular, Religious Conference Management Association Emerge Conference, U.S. Travel Association IPW, and Visit California Outlook Forum.



Sports Tourism

From amateur events to regional and national championships, Santa Clarita is a premier sporting destination. Sports Tourism is an important sector in the travel industry. TMD funding is available to attract more sporting events, and the overnight visitors that participate, to town. Some of the events that Santa Clarita previously hosted as a direct result of the established district include:

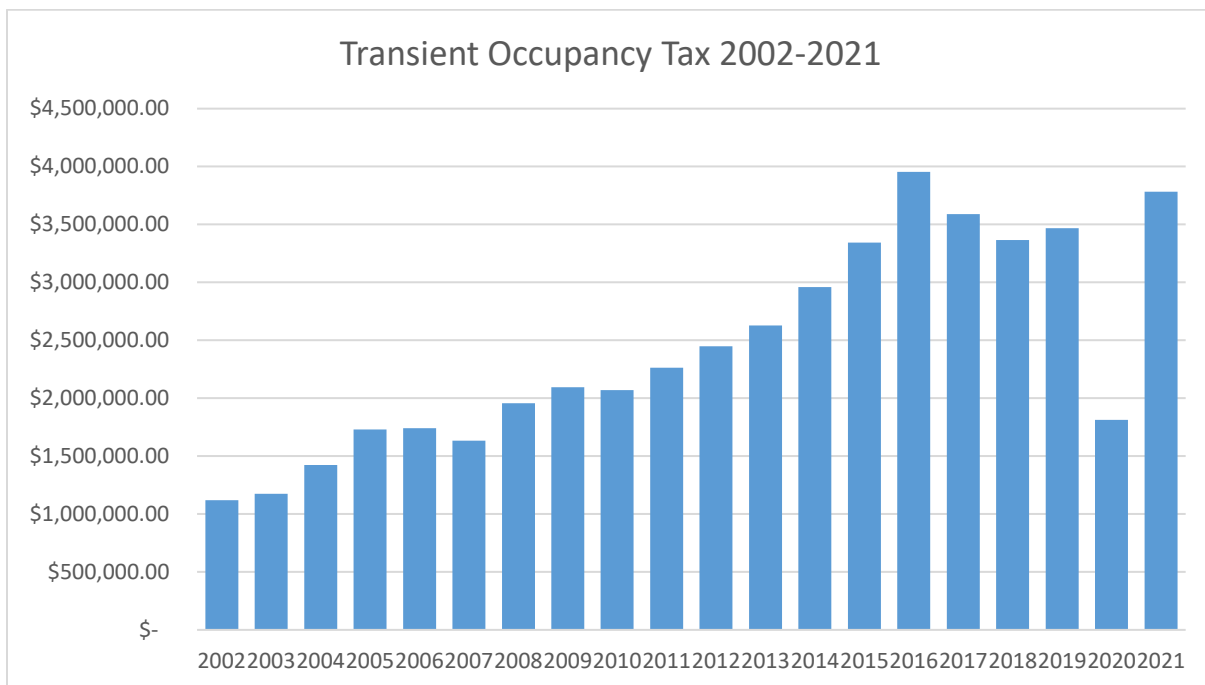
- Southern California Community College Cross Country Championship
- Hollywood Curling Summer Blockbuster Bonspiel
- Flag Football World Championship Tour
- Los Angeles Spartan Race
- Amgen Tour of California
- AT&T Champions Classic
- CA Youth Chess League Scholastic Championship



Transient Occupancy Tax

2002 - 2021

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 2021, \$3,782,044.59 was generated.



SANTA CLARITA LODGING PERFORMANCE FROM 12/2021 STR REPORT (City of Santa Clarita+) Year to Date

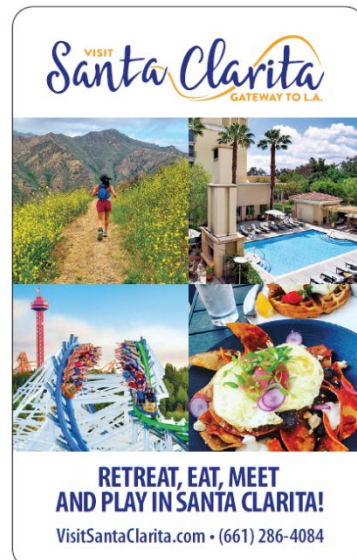
2021 CALENDAR YEAR	2020	2021
Average Occupancy	56.7%	67.0%
Average Daily Rate (ADR)	\$123.55	\$145.48
Average Revenue Per Available Room (RevPar)	\$70.09	\$97.47

Advertising

TMD dollars successfully launched comprehensive multi-media advertising campaigns, inclusive of print, digital ad networks, and social media outlets to attract visitors. 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 audiences in the market for Los Angeles-area travel
- Drive social interaction through use of sweepstakes



2021 Leisure Campaign Results

The TMD organized multiple advertising campaigns in 2021. These are the results of the winter campaign that ran from November 1 – December 15, 2021.

DIGITAL DISPLAY

10,595,958 impressions

23,175 clicks

EMAIL

120,832 emails deployed

17,010 opens

SOCIAL MEDIA

888,400 impressions

40,967 clicks



Social Media Channels



FACEBOOK

31,761 followers



TWITTER

4,540 followers



INSTAGRAM

6,410 followers

FY 2022-23 Initiatives

In April 2021, two brand new hotels opened – SpringHill Suites and Residence Inn by Marriott, adding a total of 182 rooms to the area’s inventory. In August 2021, Homewood Suites opened, adding 107 rooms. During the 2022-23 fiscal year, it is anticipated that one additional hotel, a Hampton Inn, which is currently under construction, will open its doors, adding 78 more rooms. Occupancy levels may dip initially when new rooms are added to the inventory, then eventually they are expected to level and increase.

As the hospitality industry continues to recover from the COVID-19 pandemic, TMD objectives 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
- Attend 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, such as the California Beer Festival’s Boots & Brews, as well as other 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 hosts quality regional events with strategic partnerships. Special events held in 2021 brought in over 2,300 trackable room nights to the Santa Clarita TMD hotels. The TMD will strive to increase those numbers to pre-pandemic levels in the coming years.

The TMD will work on bringing back and growing annual events and developing new tournaments, including those that can be accommodated at The Cube Ice and Entertainment Center. The planned acquisition of ice coverings for the 17,000 square foot NHL rink is anticipated to allow attraction of large-scale, non-ice events, including meetings or sporting events like wrestling or karate, to Santa Clarita in 2022 and beyond.

FY 2022-23 BUDGET

Division/Program: Economic Development – Tourism Marketing District		
Fund Name: Tourism Marketing District		
Account Number: 3603504		
Personnel		
500201	Part-Time Staff	\$26,641
Operations & Maintenance		
510102	Membership & Dues	\$6,765
510104	Printing	\$18,000
511101	Special Supplies	\$1,000
513103	Telephone Utility	\$1,250
516101	Contractual Services	\$90,000
516102	Professional Services	\$188,000
516104	Advertising	\$194,505
516105	Promotion & Publicity	\$20,000
516108	Graphic Design Services	\$11,600
519101	Travel & Training	\$9,000
519104	Auto Allowance & Mileage	\$300
Total Operations & Maintenance		\$646,743
Beginning Fund Balance 7/1/2022		\$656,931
2022-23 Revenue		\$757,062
2022-23 Expenditures		\$942,744
Estimated Ending Fund Balance 6/30/2023		\$471,249