

CITY OF SANTA CLARITA TOURISM MARKETING DISTRICT

Fiscal Year 2024-25 Annual Report

Fiscal Year 2025-26 Initiatives and Budget

This annual report highlights the continued efforts and achievements of the Tourism Marketing District for Fiscal Year 2024-25, and provides a recap and overall description of the proposed activities to be funded by the assessment, the estimated annual budget of expenses, and estimated revenues for Fiscal Year 2025-26 (July 1, 2025, through June 30, 2026). Through strategic promotions, partnerships, and targeted campaigns, we have strengthened our destination's visibility and driven measurable growth in visitation and economic impact.

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 XIII D (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.

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 – Terri Blumberg, General Manager

Courtyard by Marriott – Vincent Singletary, General Manager

Embassy Suites - Danny Efron, General Manager

Holiday Inn Express - Karina Winkler, General Manager

Homewood Suites | Hampton Inn – Karla Iraheta, General Manager

Hotel Lexen – Vimal Desai, Owner

Hyatt Regency – Clifford Monterrosa, General Manager

SpringHill Suites | Residence Inn - Shannon Hillygus, General Manager

City of Santa Clarita – Thomas B. Cole, Economic Development Director

City of Santa Clarita - Evan Thomason, Economic Development Associate

District Boundaries

The boundaries of the TMD include all real property within the City of Santa Clarita. Within the TMD, a Hotel Tourism Marketing Benefit Zone was established by Ordinance No. 10-4 that currently includes the ten (10) hotel properties identified below:

Property Name (Hotel/Business Name)	Assessor's Parcel Number Reference	Property/Business Physical Address
Best Western Valencia Inn	2861-071-008	27413 Wayne Mills Place Santa Clarita, CA 91355
Courtyard by Marriott	2866-034-080	28523 Westinghouse Place Santa Clarita, CA 91355
Embassy Suites	2866-034-097	28508 Westinghouse Place Santa Clarita, CA 91355
Hampton Inn	2866-035-007	28700 Newhall Ranch Road Santa Clarita, CA 91355
Holiday Inn Express	2861-071-008	27513 Wayne Mills Place Santa Clarita, CA 91355
Homewood Suites	2866-035-007	28700 Newhall Ranch Road Santa Clarita, CA 91355
Hotel Lexen Newhall	2831-018-040	24219 Railroad Avenue Santa Clarita, CA 91321
Hyatt Regency	2861-062-020	24500 Town Center Drive Santa Clarita, CA 91355
Residence Inn	2861-071-010	27505 Wayne Mills Place Santa Clarita, CA 91355
SpringHill Suites	2861-071-010	27505 Wayne Mill Place Santa Clarita, CA 91355

The properties identified in the grid above are currently all the hotels that are within the Benefit Zone for FY 2025-26. Should new hotel properties open, they would be assessed in accordance with the System of Assessment (Methodology) established by ordinance.

District Boundaries (continued)

In accordance with Ordinance No. 10-4 and Chapter 3.36 of Title 3 of the Santa Clarita Municipal Code, only properties designated as hotels and included within the Benefit Zone will be assessed.

"Hotel" shall mean any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients, including but not limited to for dwelling, lodging, or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof, duplex, triplex, single-family dwelling units except any private dwelling house or other individually owned single-family dwelling rented only infrequently and incidental to normal occupancy or any timeshare as set out in Revenue and Taxation Code Section 7280; provided, that the burden of establishing that the facility is not a hotel shall be on the owner or operator thereof.

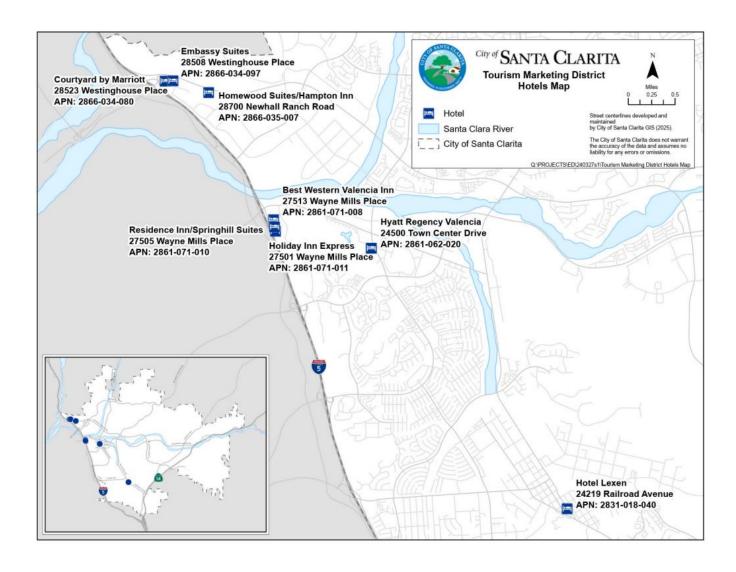
The proposed system of assessment for the District is designed to generate revenue from hotels in the City to provide a method of funding public programs and activities that will promote the City and hotels as a tourist destination. Hotels within the City limits comprise the Benefit Zone and are the only businesses proposed to be assessed. The FY 2025-26 annual assessments to be levied against hotels within the Benefit Zone are based on the benefits they derive from the program of activities. Businesses located outside the Benefit Zone (i.e., all non-hotel businesses) will not be assessed as they derive only, at most, an indirect benefit from the program of activities.

In accordance with Ordinance No. 10-4, in addition to any assessments, fees, charges, or taxes imposed otherwise in the City, the City Council proposes to levy assessments for fiscal year 2025-26 against businesses in the Benefit Zone for the purpose of funding the programs, activities, and services that will promote the City and hotels as a tourist destination. Each business in the Benefit Zone shall pay an assessment of 2% of total room rents charged and received from transient hotel guests who do not make the hotel their principal place of residence.

These assessments shall be due and payable and shall be paid at the same time and in the same manner that the TOT is due and payable, and shall be subject to the same penalties and interest for nonpayment.

The terms of the TMD apply to any newly established hotels immediately upon the first day of operation and following the public hearing conducted for inclusion into the TMD.

DISTRICT BOUNDARY DIAGRAM



Summary of Services & Activities

TMD funds are specifically allocated to attract visitors and generate room nights by supporting services and activities that provide direct benefits to TMD hotels. These services include, but are not limited to:

- Financial support for key regional and national events that drive tourism and promote the City
- Creation and execution of destination marketing strategies to boost visitor interest in Santa Clarita
- Advertising and public relations campaigns targeting both business and leisure travelers
- Funding and support for the Summer Visitor Trolley program to enhance the visitor experience
- Participation in strategic meetings and trade shows to connect with event producers and industry partners

Programs and Services for Fiscal Year (FY) 2024-25 included:

- Tourism advertising campaigns using digital media to reach leisure travelers within a 400-mile drive radius
- Summer Visitor Trolley program
- Two 60 x 60" diorama displays featured at Hollywood Burbank Airport
- California Plaza at U.S. Travel's International Pow Wow (IPW) Visit Santa Clarita joined Visit California's high-profile activation and featured Six Flags character photo ops and Lucky Luke beer tastings, drawing strong interest from international attendees
- Hosted U.S. Quadball's QuadballFest at Central Park, attracting players and fans from across the region
- Coordinated familiarization tours for media representatives from Canada and Amsterdam, offering immersive experiences of Santa Clarita's attractions and hospitality to inspire future travel coverage
- Attended business development meetings, tradeshows, and market forums including:
 - California Society of Association Executives Seasonal Spectacular
 - Religious Conference Management Association Emerge Conference
 - U.S. Travel Association IPW International Meeting & Incentive Buyers
 - Visit California Outlook Forum
 - o TEAMS Sports Conference
 - o Los Angeles Market Outlook Forum
 - o Crowdriff SEE Conference
 - o CalTravel Summit and Board Meetings











Transient Occupancy Tax

In the City of Santa Clarita, the Transient Occupancy Tax (TOT) is 10% of the total room rate, paid by each hotel room occupant (transient) to the operator of the lodging establishment. The revenue from the TOT goes to the City's General Fund. The goal of TMD is to increase room nights thereby increasing revenue in TOT funds. In the calendar year 2024, \$5,406,750.15 was generated.



SANTA CLARITA LODGING PERFORMANCE FROM 12/2024 STR REPORT (City of Santa Clarita+)

2024 CALENDAR YEAR	2023	2024
Average Occupancy	79.8%	80.9%
Average Daily Rate (ADR)	\$161.67	\$163.19
Average Revenue Per Available Room (RevPAR)	\$129.06	\$131.98

In February 2025, the newly constructed Hampton Inn expanded the local room inventory by 78 rooms, bringing the total room count to 1,176. This dual-branded property is connected to the existing Homewood Suites. While occupancy levels may initially dip with the introduction of the new rooms, they are expected to stabilize and grow over time.

Advertising

TMD funds effectively supported the launch of comprehensive multimedia advertising campaigns, including print, digital ad networks, and social media platforms, to attract visitors to Santa Clarita. Marketing efforts targeted key feeder markets within a 400-mile radius. These funds enable simultaneous outreach to multiple audiences—leisure travelers, corporate meeting and conference planners, and sports tourism event organizers. Campaigns have delivered strong results, including enhanced brand recognition, measurable hotel room bookings, increased year-over-year traffic to the Tourism website, and growth in corporate meetings and events. The continued use of TMD dollars to promote Santa Clarita as a destination has consistently demonstrated positive returns.

Media Strategy

- Emphasize Santa Clarita's key advantages for leisure travelers—location, value, and regionspecific experiences.
- Engage drive-market audiences with ads that lead to content on VisitSantaClarita.com, highlighting thrills, outdoor fun, family activities, and entertainment.
- Prioritize digital media channels (display, mobile, video, email, social) to drive conversions.
- Geo-target top-performing California markets to enhance impact.
- Place ads in content categories aligned with audience interests: family fun, outdoor adventure, entertainment, and thrills.
- Reach travelers actively researching trips to the Los Angeles area.
- Boost social engagement through sweepstakes promotions.

FY 2024-25 Leisure Campaign Results

The TMD organized multiple advertising campaigns in FY 2024-25. These are the results of the Phase 1 campaign that ran from October 1 – December 31, 2024.

YOUTUBE

228,828 views 159,491 video completions 249,783 engagements

PERFORMANCE MARKETING

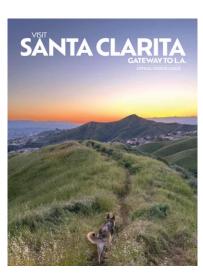
18,684 emails collected

SOCIAL MEDIA

1,606,767 impressions 10,803 link clicks







Earned Media – FY 2024-25

Visit Santa Clarita continues to strengthen its presence in key markets through ongoing collaboration with Visit California, leveraging statewide initiatives and shared storytelling, and by strategically hosting familiarization tours for international journalists to showcase our scenic beauty, rich history, and welcoming community. In the wake of recent Southern California wildfires, including those in Castaic, Visit California launched a campaign to help drive tourism back to affected areas. Thanks to the strong, ongoing partnership and trust built with Visit California, Santa Clarita was chosen as a lead story in their California Now blog series and featured in their e-newsletters - campaigns backed by multimillion-dollar investments and paid media that reached millions of national and international travelers. Together, these efforts generate meaningful earned media coverage, broaden our global visibility, and position Santa Clarita as a must-visit destination.

Today in Santa Clarita – Visit CA blog series



One of the culinary gems of the area is the <u>Eat Real Cafe</u>, which has three locations, including this one on Main Street in Santa Clarita. The restaurant serves breakfast, lunch, and dinner, focusing on organic ingredients with plenty of options for vegetarians and vegans. Think angus beef burgers, cheese plates, vegan wraps and stir fries, plus fun drinks like the Bolo Rojo mimosa with beet juice, orange, lime, and bubbly. Other notable restaurants and breweries along Main Street include <u>Newhall</u> Refinery, Smokehouse on Main, and <u>Brewery Draconum</u>.

International Media – Instagram Reels and posts, travel blog

Lizer in the day, while explaining the neighborhood, we suidenly heard a finend you'ce behind up, calling up by our mean and our blagk, the Cacellain, a remined for the quieser community and on owner of the Binnery Discourse, who recognised on from our blag and cools in media posts about Sorta Carles. Without any further ade, the invited us to have but of in the green backgrid of the vinvertedral establishment. The food was deficious, with fixed packets and burgers that we wealthed down with a selection of their deficious craft beers. Definitely a tip to support local (485th busineses!





Visit CA's digital media campaign reaching millions of travelers worldwide



Visit CA – travel trade newsletter deployed to domestic travel advisors



Visit CA e-newsletter "5 Towns that Make Savvy Vacation Hubs"

Los Angeles is known for its movie magic, there's another city around 35 miles northwest of downtown that has been making big screen appearances line the days of silent films. Hollywood came calling in 1815, and now <u>Senta Clarita</u> is an entertainment industry meinstay with more than 20 sound stages and 10 movie ranches. Honor legends like Gene Autry and Roy Rogers along the <u>Walk of Western Stars</u> in Clid Town Newhall, where bronze plaques are set into the parament in front of downtown shops and restaurants such as the Southern-style bothsecue joint <u>Smokehouse on Main. You can also grab a bite at as-seen-on-TV restaurants like Way Station Coffee Shop, a backdrop an shows like Justified all Hallway House Cafe, the roadside diliner featured in Top Gun. Maverick. Explore more modern food and beverage options at the many gastropubs, wineries, and tasting roams popping up around Newhall, including Reyes Winery, which grows lits grapes right in Santa Clarita. The city is also a haven for adrenaline junkles with record-breaking roller coasters at <u>Six Flage Magic Mountain</u>, known as the "Thrill Capital of the World." If you prefer a slower-paced adventure, hit the hundreds of miles of trails through open space areas like <u>Vasquer Rocks</u>, where you can climb sandstone formations by day or take a guided full-moon hike offered every month. Where to stay: A new hotel complex in Santa Clarita with four affordable chains—Hollday inn Express, SpringHill Sultes, Residence Inn, and Best Western—opened in 2021 across the street from Six Riggs Magic Mountain, for a boutique experience, stay in old Town Newhall at Hadel Lexen, where you can enjoy a drink at the terrace bar before exploring the arts and entertainment district. Itinerary ideas for Los Angeles: In the City of Stars, Hollywood is a main attraction, Hilke to the iconic Hollywood sign from trails starting of artiffith Park gaze into the cosmos at Griffith Deservatory or search for a different kind of star along Hollywood Boulevard Nowley and Leven Hare you can enj</u>

DRAFT FY 2025-26 BUDGET

Division/Program: Economic Development – Tourism

Marketing District

Fund Name: Tourism Marketing District

Account Number: 3603504			
Personnel			
500201	Part-Time Staff	\$48,060	
Operations & Maintenance			
510102	Membership & Dues	\$6,765	
510104	Printing	\$24,000	
511101	Special Supplies	\$1,000	
513103	Telephone Utility	\$1,250	
516101	Contractual Services	\$141,500	
516102	Professional Services	\$234,000	
516104	Advertising	\$294,505	
516105	Promotion & Publicity	\$20,000	
516108	Graphic Design Services	\$5,300	
519101	Travel & Training	\$16,000	
519104	Auto Allowance & Mileage	\$600	
DRAFT Total Operations & Maintenance FY 25-26		\$744,920	
Beginning Fund Balance 7/1/2024		\$1,095,072	
2024-25 Revenue		\$1,045,208	
2024-25 Expenditures		\$909,762	
Estimated Ending Fund Balance 6/30/2025		\$1,230,518	

FY 2025-26 Initiatives

The TMD's objective remains to increase demand for overnight visitation, including leisure, group, and meeting business, during the shoulder season (September through March) with a focus on the following:

Business-Driven Sales and Advertising

- Prioritize marketing efforts targeting drive and feeder markets to expand reach
- Enhance conversion strategies through digital channels, including display, mobile, video, email, and social media, with an emphasis on geo-targeting
- Develop and maintain engaging, informative online content to attract and convert new customers
- Offer targeted incentives to attract meeting professionals and drive increased bookings
- Participate in trade shows that offer the greatest potential for convention and meeting lead generation
- Leverage data and analytics to refine marketing strategies
- Strengthen partnerships with key industry organizations to expand brand visibility and attract new business
- Explore new advertising opportunities in underrepresented markets to diversify customer acquisition

Destination & Partnership Development

- Strengthen cooperative marketing efforts and partnership opportunities with Visit California, Discover Los Angeles, and key media contacts through IPW
- Enhance public relations initiatives to drive visitation and stimulate economic growth
- Attract and secure high-profile events to boost Santa Clarita's visibility and visitor engagement
- Foster relationships with key travel influencers and bloggers to amplify Santa Clarita's exposure
- Explore opportunities for cross-promotions with regional partners to increase event participation and tourism

The TMD continues to support large-scale sporting events and other impactful gatherings, including Activated Event's Boots in the Park, as well as other events and meetings. These events not only generate significant economic benefits for the City but also reinforce Santa Clarita's reputation as a premier destination for high-quality regional events, made possible through strategic partnerships.

Looking ahead, the TMD will focus on retaining successful annual events while actively pursuing new tournaments and experiences, including opportunities that make use of local venues such as the Santa Clarita Skate Park and, The Rink—the City's new roller rink project that will further diversify the types of events the City can host.