



AGENDA

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Agenda

Thursday, March 28, 2019

8:30 am -10:30 am

Embassy Suites

333 Madonna Road, San Luis Obispo, CA 93405

1. CALL TO ORDER
2. PUBLIC COMMENT (On Non-Agenda Items)

ANNOUNCEMENTS

C. Davison

CONSENT AGENDA - <i>motion required</i>
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C. Davison

3. Approval of January 16, 2019 Board Meeting Minutes (*yellow*)
4. Approval of January & February Financials (*green*)
5. Ratification of Jedidiah Bickel as Pismo Beach's Appointed Board Member
6. Approval of Lori Keller's Marketing Committee Application
7. Approval of Janine Dion's Marketing Committee Application
8. Approval of Joel Peterson's Marketing Committee Application
9. Approval of Anne Steinhauer's Marketing Committee Application
Staff will request Board approval of the January 16, 2019 Board Meeting Minutes, the January and February Visit SLO CAL Financials, the ratification of the appointment of Jedidiah Bickel to the Board, and approval of Marketing Committee applications from Lori Keller, Janine Dion, Joel Peterson and Anne Steinhauer, as recommended by the Marketing and Executive Committees.

CEO REPORT

C. Davison

10. CEO Report (15 min)
Staff will provide an update on current projects and areas of focus for the months ahead.

BUSINESS ITEMS

C. Davison

11. TMD Renewal Update (30 min) – *motion required*
Staff will provide an update on the TMD renewal terms and the revised timeline, and request feedback and approval of the updated draft Management District Plan, as recommended by the Executive Committee.
12. Destination Management Strategy Presentation (50 min) – *motion required*
Staff will provide an update on progress to-date for Visit SLO CAL's Destination Management Strategy. Resonance Consultancy will present their Draft Recommendations to the Board for feedback. Staff will outline key next steps in the process, and request approval for an addendum to the scope of work.
13. Short-Term Rental Housing Impact Research (20 min) – *motion required*
Staff will request feedback from the Board on a proposal to conduct a study on the effects of short-term rentals (STRs) on housing, and request approval to initiate the study, as recommended by the Executive Committee.

ADJOURN.

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the board to discuss or take action on issues not on the agenda, except that members of the board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the board to follow-up on such items and/or place them on the next board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board of Directors.

ADA Notice: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Brendan Pringle at (805)541-8000 at least 48 hours prior to the meeting.

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MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, January 16, 2019

8:30am

Visit SLO CAL Conference Room
1334 Marsh Street, San Luis Obispo, CA 93401

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Alma Ayon, Kathy Bonelli, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Hemant Patel, Clint Pearce

ABSENT: Sarah Maggelet, Sam Miller, Nipool Patel, Amar Sohi

STAFF PRESENT: Chuck Davison, Brooke Burnham, Christine Robertson, Brendan Pringle

Call to Order at 8:03 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

Victor Popp, La Quinta Inn & Suites of Paso Robles, thanked Visit SLO CAL for holding this Board Meeting in Paso Robles. Gordon Jackson, Pismo Beach VCB, introduced the City of Pismo Beach's new board appointee, Jed Bickel of SeaCrest Resort. Davison noted that Bickel will join the Board once his appointment is ratified at the March Board Meeting.

ANNOUNCEMENTS

Davison reminded the Board to RSVP for the Beginning of Year Bash, happening January 30, 2019, from 5:30pm-8:00pm at Milestone Tavern in San Luis Obispo. He also announced that Restaurant Month is happening in SLO CAL® throughout the month of January.

CONSENT AGENDA

3. Approval of November 15, 2018 Board Meeting Minutes

4. Approval of October, November and December Visit SLO CAL Financials

Public Comment – None.

Committee Discussion.

ACTION: Moved by Graves/Eads to approve the Consent Agenda as presented.

Motion carried: 8:0
Hamilton arrived after the vote.

CEO REPORT

5. CEO Report

Davison reviewed U.S. Travel's Travel Trends Index for November 2018 and November 2017. He provided an HR update, noting that, effective December 21, 2018, Christine Robertson, Visit SLO CAL's VP of Community Engagement & Advocacy, transitioned into a part-time contractor role as she continues to spearhead the Destination Management Strategy planning process. Candidates are being sourced and interviews conducted for her replacement. Visit SLO CAL has recently hired Haley Ramos to fill the entry level Office Coordinator role, which replaces the Executive Assistant position. With the completion of its Operational Assessment, Visit SLO CAL has also adjusted some approved positions and has begun to schedule interviews for the positions: Partnership & Community Engagement Manager, Communications Coordinator & Film Commission Liaison, Digital Marketing Coordinator, and Marketing Coordinator. None of these are "new" positions, but rather adaptations of previously existing positions. On Monday, January 14, the City of Pismo Beach appointed Jedidiah Bickel, General Manager of SeaCrest Oceanfront Resort, to the Visit SLO CAL Board. Jedidiah will take the seat that Mark Roemer previously held, and will join the board once his confirmation has been agendaized and confirmed in the March 2019 meeting. He is attending today's meeting as a member of the public to start getting up to speed. After months of work, Visit SLO CAL received notice on December 14, 2018 that the "SLO CAL®" service mark was approved on the U.S. Supplemental Register. This means that Visit SLO CAL now owns the service mark for the phrase "SLO CAL®" in Class 035 advertising and business services; previously, Visit SLO CAL registered the service mark for the SLO CAL logo. The Board viewed Visit California's new international Kidifornia television spot, which features the Oceano Dunes. Davison reported out on local meetings and his travel schedule for the months ahead.

Public Comment – None.

Board Discussion – None.

BUSINESS ITEMS

6. TMD Renewal

In December, Visit SLO CAL met with the city manager, DMO leader and appointed Board member from each community to review the guidelines of the draft Tourism Marketing District Management District Plan (MDP), and request feedback on the MDP and process as the organization works towards approval. Davison thanked the Board members who attended and assisted with their support during these important meetings. Davison reported out on these community meetings, as well as the December 21, 2019 City-County Managers Meeting. During that meeting, the city managers recommended that Visit SLO CAL perform an ROI study and delay the renewal launch slightly. The city managers will be scheduling a follow-up meeting with Visit SLO CAL in the coming weeks to provide additional feedback and recommendations, including adjustments to the renewal timeline. Davison noted that the requested ROI study would outline the projected additional return on investment that a TMD assessment increase would have on the economy, and that he has reached out to both Tourism Economics and Destination Analysts for proposal and cost estimates. The study is projected to cost between \$30,000 and \$40,000, and would delay the renewal timeline by about two months, but could lead to greater government support allowing the process to proceed at a faster pace.

Public Comment – Danna Stroud, Travel Paso, asked Davison to clarify whether Visit SLO CAL would dissolve if it didn't receive the additional 1 percent and a 10-year renewal term. Stroud also noted that she has received questions on what additional work would be done with additional funding. Victor Popp, La Quinta Inn & Suites, noted that a marketing plan for the additional funds would provide deeper insight to skeptics of the TMD renewal terms. Davison noted that the Board meeting programming doesn't report for Q&A with the public during the meeting, but that he would do his best to address the questions under Board Discussion.

Board Discussion. Davison noted that the organization would not dissolve without the renewal occurring under the current format; the organization would pursue renewal at 1 percent and a 5-year term if that was what the communities desired, and that it would not carve a community out of the district as Visit SLO CAL needs all communities involved in order to be successful. With regards to a marketing plan, Davison noted that the Board, in its November meeting, said it didn't want the organization to focus staff time on the details of how the funds would be spent without knowing if an increase would be approved by the municipalities. He also clarified that with 1 percent and a 5-year term, the expectations for Visit SLO CAL would need to be adjusted, and there would need to be some consensus from the communities and Board on what programs would need to be cut. Pearce clarified that the communities are only asking for an ROI study based on 2 percent and 10 years—not 1 percent and 5 years. Arnold noted that Tom Frutche, City Manager of Paso Robles, would not be content with the 2 percent and 10-year renewal unless he saw some kind of ROI study. Bonelli said that if one community will continue to dig its heels regardless, then the ROI study would be pointless, but that the data makes it easier to propose. Hamilton asked if the city managers are asking for a regional ROI study or one that examines each community separately. Davison responded that they are looking for a regional study. Jamison noted that his concern is that the organization is putting so much weight on city managers, and asked if an ROI study will help Visit SLO CAL in communicating value to city council members as well. Davison responded that the lodging community is the livelihood of many communities, and said he would encourage Board members to have conversations with the council members in their communities regarding the renewal and the basis for the increase. Jamison recommended moving forward with the study even if there is no consensus on the terms of the renewal to make it clear to elected officials the value of Visit SLO CAL.

ACTION: Moved by Bonelli/Hamilton to recommend that the Board allow the CEO to negotiate terms of an ROI study on the tourism marketing district assessment increase and allocate up to \$40,000 for the project, as recommended by the Executive Committee.

Motion carried: 9:0

7. Destination Management Strategy Update

Robertson provided a progress update on the Destination Management Strategy (DMS). Robertson briefed the Mayors at their January 11, 2019 Mayors Meeting and enlisted their help engaging their community stakeholders. Visioning Workshops are currently scheduled for February 19-20, 2019, and invites will be going out soon. Robertson noted that based on feedback from government officials, Resonance has proposed some potential modifications to the workplan. They are recommending exchanging Open Houses and an Online Forum with regional briefings of elected and community leaders in order to ensure greater buy-in amongst decision-makers. They have also recommended adding a final workshop to map roles and responsibilities for implementation for final recommendations. Robertson outlined the next steps in the process and the updates to the timeline.

Public Comment – None.

Board Discussion – Pearce noted he believed the Action Planning Workshop would be of high value to the process.

8. FY2018/19 Budget Re-Forecast

Davison provided an overview of Visit SLO CAL's proposed re-forecasted budget for FY2018/19, which reflects programs that were cut or postponed during the organization's Team Planning Retreat (December 7, 2018), and re-allocated surplus funds. A significant portion of surplus funds (\$398,000) has been re-allocated to advertising to support the launch of the Dallas flight. Revenue increases reflect the adjustment for actual income received from each community through November 2018, and the true up re-forecasted revenue for December – June, based off of a 3% increase from last year's actual receipts (same as original budget). The increased revenue number includes \$53,000 in additional prior year assessments above budget; \$163,000 in projected Unincorporated area TMD remittance with the opening of Highway 1; and \$142,000 in co-op revenue which is off-set by the associated co-op expense. Davison noted that allocation of co-op income has changed from being subtracted from the expense line item to becoming a separate "co-op revenue" line item under "income,"

making the programming more transparent and keeping Non-TMD funds completely separate. Davison walked the Board through significant changes to the re-forecasted budget by department.

Public Comment – None.

Board Discussion – None.

ACTION: Moved by Graves/Arnold to approve Visit SLO CAL's FY2018/19 Budget Re-Forecast as presented and as recommended by the Executive Committee.

Motion carried: 9:0

9. Marketing Update

Davison provided an update on travel trade efforts, and Burnham reported out on key marketing initiatives. She also reported out on paid, earned and owned media results, and outlined the proposed Media Plan for Dallas.

Public Comment – None.

Board Discussion.

ADJOURNMENT

ACTION: Moved by Graves/Arnold to adjourn at 10:03 am.

San Luis Obispo County
Visitor's & Conference Bureau
2018/2019 Financial Summary - January

Income	This Month	Budgeted for Month	MTD Variance	MTD Actual v. Budget %	MTD % of Total Income/Expenses	FISCAL YTD	Budget YTD	YTD Variance	YTD Actual v. Budget %	YTD % of Total Income/Expenses
Collected from Prior Year Assessments	\$ 923	\$ -	\$ -	100.00%	0.00%	\$ 181,694	\$ 129,000	\$ 52,694	140.85%	6.63%
Other Revenue	\$ -	\$ 850	\$ 73	108.60%	0.44%	\$ 5,654	\$ 5,950	\$ (296)	95.03%	0.21%
Co-op Revenue	\$ -	\$ 1,750	\$ (1,750)	0.00%	0.00%	\$ 5,051	\$ 1,750	\$ 3,301	288.65%	0.18%
TBID Income:										
SLO County Unincorporated	\$ 68,098	\$ 68,098	\$ -	100.00%	32.10%	\$ 633,514	\$ 620,170	\$ 13,343	102.15%	23.11%
SLO City	\$ 36,919	\$ 36,919	\$ -	100.00%	17.40%	\$ 458,299	\$ 441,383	\$ 16,916	103.83%	16.72%
Pismo Beach	\$ 50,276	\$ 50,276	\$ -	100.00%	23.70%	\$ 610,008	\$ 603,764	\$ 6,244	101.03%	22.25%
Morro Bay	\$ 13,416	\$ 13,416	\$ -	100.00%	6.32%	\$ 206,794	\$ 197,227	\$ 9,567	104.85%	7.54%
Paso Robles	\$ 29,374	\$ 29,374	\$ -	100.00%	13.85%	\$ 299,754	\$ 294,379	\$ 5,374	101.83%	10.94%
Arroyo Grande	\$ 4,572	\$ 4,572	\$ -	100.00%	2.16%	\$ 56,173	\$ 55,617	\$ 556	101.00%	2.05%
Atascadero (quarterly)	\$ -	\$ -	\$ -	0.00%	0.00%	\$ 73,924	\$ 69,056	\$ 4,868	107.05%	2.70%
Grover	\$ 1,567	\$ 1,567	\$ -	100.00%	0.74%	\$ 20,811	\$ 22,193	\$ (1,382)	93.77%	0.76%
Adjustment for Actual TBID Collected	\$ 3,446	\$ 5,000	\$ (1,554)	68.92%	1.62%	\$ 179,506	\$ 163,686	\$ 15,820	109.66%	6.55%
Interest Income	\$ 3,569	\$ 600	\$ -	594.91%	1.68%	\$ 9,989	\$ 600	\$ 9,389	163.17%	0.36%
Total Income	\$ 212,161	\$ 212,422	\$ (3,231)	99.88%	100.00%	\$ 2,741,169	\$ 2,604,776	\$ 127,005	105.24%	100.00%
Expenses										
Contingency Reserve	\$ 10,430	\$ 10,504	\$ (74)	99.29%	3.77%	\$ 136,306	\$ 130,121	\$ 6,185	104.75%	6.82%
G&A	\$ 21,118	\$ 20,488	\$ 630	103.07%	7.63%	\$ 158,785	\$ 165,128	\$ (6,343)	96.16%	7.95%
Industry Research and Resources	\$ 34,812	\$ 41,872	\$ (7,060)	83.14%	12.58%	\$ 305,834	\$ 359,644	\$ (53,809)	85.04%	15.31%
Travel Trade	\$ 17,887	\$ 18,226	\$ (340)	98.14%	6.46%	\$ 164,501	\$ 176,060	\$ (11,559)	93.43%	8.23%
Communications	\$ 22,988	\$ 34,380	\$ (11,392)	66.86%	8.31%	\$ 179,446	\$ 223,720	\$ (44,274)	80.21%	8.98%
Advertising	\$ 143,579	\$ 158,693	\$ (15,114)	90.48%	51.88%	\$ 776,581	\$ 775,289	\$ 1,291	100.17%	38.87%
Promotions	\$ 3,193	\$ 7,388	\$ (4,195)	43.22%	1.15%	\$ 28,682	\$ 48,877	\$ (20,195)	58.68%	1.44%
Events	\$ 25	\$ 0	\$ 25	683604.27%	0.01%	\$ 46,204	\$ 157,074	\$ (110,870)	29.42%	2.31%
Digital Marketing	\$ 21,784	\$ 23,624	\$ (1,839)	92.21%	7.87%	\$ 184,932	\$ 198,165	\$ (13,233)	93.32%	9.26%
Film Commission	\$ 950	\$ 5,645	\$ (4,695)	16.83%	0.34%	\$ 16,746	\$ 28,743	\$ (11,996)	58.28%	0.84%
Total Expenses	\$ 276,763	\$ 320,819	\$ (44,055)	86.27%	100.00%	\$ 1,998,018	\$ 2,262,821	\$ (264,803)	88.30%	100.00%
Surplus(Deficit)	\$ (64,603)	\$ (108,396)	\$ 40,824	59.60%		\$ 743,152	\$ 341,955	\$ 391,808	217.32%	

Cash Flow

Surplus (Deficit)	\$ (64,603)
Beginning Cash Balance	\$ 2,335,986
Change in Accounts Receivable	\$ (108,638)
Change in Accrued Expenses	\$ 86,750
Change in Prepaid Expenses	\$ (20,809)
Change in Accounts Payable	\$ 1,235
Change in Reserve Contingency	\$ 10,430

Ending Cash Balance

Contingency Reserve - 5% of Cumulative Revenue	\$ 2,240,352
Liability on Balance Sheet	\$ (702,260)

Net Available Cash

	\$ 1,538,092
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Comments to the Board:

- \$66k deficit for December (\$41k lower deficit than budgeted). \$743k surplus year-to-date (\$392k larger surplus than originally budgeted). We are projecting an \$17k deficit by year-end if future months come in at budget.
- All TMD amounts accrued through November have been collected, with the exception of City of SLO and Morro Bay.
- Monies received from partners to help fund initiatives (co-op) are now being recorded as income, versus a credit to Expenses as they have been recorded in the past.

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of January 31, 2019

	Jan 31, 19	Jan 31, 18	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,358,659.98	1,476,647.51	-117,987.53	-8.0%
1020 · Bank of the Sierra - Membership	221,293.02	128,991.48	92,301.54	71.6%
1030 · Morgan Stanley - TMD	551,585.86	400,000.00	151,585.86	37.9%
1040 · Morgan Stanley - Membership	102,333.50	100,000.00	2,333.50	2.3%
Total Checking/Savings	2,233,872.36	2,105,638.99	128,233.37	6.1%
Accounts Receivable				
1200 · Accounts Receivable	731,939.00	597,023.16	134,915.84	22.6%
Total Accounts Receivable	731,939.00	597,023.16	134,915.84	22.6%
Other Current Assets				
1320 · Prepaid Rent	4,369.95	3,326.70	1,043.25	31.4%
1340 · Workman's Comp Deposit	367.00	387.00	-20.00	-5.2%
1350 · Prepaid Expenses	128,033.66	-45,315.71	173,349.37	382.5%
1499 · Undeposited Funds	6,479.84	0.00	6,479.84	100.0%
Total Other Current Assets	139,250.45	-41,602.01	180,852.46	434.7%
Total Current Assets	3,105,061.81	2,661,060.14	444,001.67	16.7%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	24,216.44	24,216.44	0.00	0.0%
1410 · Furniture & Fixtures	91,012.07	91,012.07	0.00	0.0%
1415 · Leasehold Improvements	37,301.15	37,301.15	0.00	0.0%
1425 · Office Equipment	14,560.10	14,560.10	0.00	0.0%
Total 1400 · Fixed Assets	167,089.76	167,089.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-15,088.17	-15,088.17	0.00	0.0%
1510 · Furn. & Fixt. Accum. Depr.	-6,208.00	-6,208.00	0.00	0.0%
1515 · Leasehold Imp. Accum. Depr.	-1,630.00	-1,630.00	0.00	0.0%
1525 · Office Equip. Accum. Depr.	-4,915.00	-4,915.00	0.00	0.0%
Total 1500 · Accumulated Depreciation	-27,841.17	-27,841.17	0.00	0.0%
Total Fixed Assets	139,248.59	139,248.59	0.00	0.0%
Other Assets				
1600 · Intangibles				
1605 · Trademark - Slocal	15,750.00	15,750.00	0.00	0.0%
Total 1600 · Intangibles	15,750.00	15,750.00	0.00	0.0%
Total Other Assets	15,750.00	15,750.00	0.00	0.0%
TOTAL ASSETS	3,260,060.40	2,816,058.73	444,001.67	15.8%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	165,395.60	137,121.45	28,274.15	20.6%
Total Accounts Payable	165,395.60	137,121.45	28,274.15	20.6%
Credit Cards				
2060 · American Express Credit Card	23,337.06	11,551.77	11,785.29	102.0%
2050 · Rabobank Credit Card	0.00	749.70	-749.70	-100.0%
Total Credit Cards	23,337.06	12,301.47	11,035.59	89.7%
Other Current Liabilities				
2070 · Accrued Liabilities	132,197.60	0.00	132,197.60	100.0%
2010 · Deferred Revenue	10,920.00	0.00	10,920.00	100.0%
2100 · Payroll Liabilities				
2115 · Company ETT Payable	13.67	0.00	13.67	100.0%
2125 · Company FUTA Payable	81.98	0.00	81.98	100.0%
2135 · Company SUI Payable	669.55	0.00	669.55	100.0%
2160 · Health Insurance Withheld	-503.16	0.00	-503.16	-100.0%
Total 2100 · Payroll Liabilities	262.04	0.00	262.04	100.0%
Total Other Current Liabilities	143,379.64	0.00	143,379.64	100.0%

3:55 PM

02/20/19

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of January 31, 2019

	Jan 31, 19	Jan 31, 18	\$ Change	% Change
Total Current Liabilities	332,112.30	149,422.92	182,689.38	122.3%
Total Liabilities	332,112.30	149,422.92	182,689.38	122.3%
Equity				
3120 - Reserved Earnings	702,259.89	491,405.54	210,854.35	42.9%
3130 - Retained Earnings	1,482,536.79	1,125,416.90	357,119.89	31.7%
Net Income	743,151.42	1,049,813.37	-306,661.95	-29.2%
Total Equity	2,927,948.10	2,666,635.81	261,312.29	9.8%
TOTAL LIABILITIES & EQUITY	3,260,060.40	2,816,058.73	444,001.67	15.8%

San Luis Obispo County
Visitor's & Conference Bureau
2018/2019 Financial Summary - February

Income	This Month	Reforecast Budget for Month	MTD Variance	MTD Actual v. Budget %	MTD % of Total Income/Expenses	FISCAL YTD	Reforecast Budget YTD	YTD Variance	YTD Actual v. Budget %	YTD % of Total Income/Expenses
Collected from Prior Year Assessments	\$ -	\$ -	\$ -	100.00%	0.00%	\$ 181,694	\$ 181,694	\$ -	100.00%	6.13%
Other Revenue	\$ 917	\$ 850	\$ 67	107.89%	0.41%	\$ 6,431	\$ 6,431	\$ 140	102.18%	0.22%
Co-op Revenue	\$ -	\$ 21,590	\$ (21,590)	0.00%	0.00%	\$ 5,051	\$ 28,391	\$ (23,340)	17.79%	0.17%
TBID Income:										
SLO County Unincorporated	\$ 70,381	\$ 70,381	\$ -	100.00%	31.62%	\$ 703,895	\$ 703,895	\$ -	100.00%	23.75%
SLO City	\$ 52,848	\$ 52,848	\$ -	100.00%	23.75%	\$ 511,146	\$ 511,146	\$ -	100.00%	17.25%
Pismo Beach	\$ 60,234	\$ 60,234	\$ -	100.00%	27.07%	\$ 670,241	\$ 670,241	\$ -	100.00%	22.61%
Morro Bay	\$ 19,934	\$ 19,934	\$ -	100.00%	8.96%	\$ 226,728	\$ 226,728	\$ -	100.00%	7.65%
Paso Robles	\$ 35,271	\$ 35,271	\$ -	100.00%	15.85%	\$ 335,025	\$ 335,025	\$ -	100.00%	11.30%
Arroyo Grande	\$ 5,626	\$ 5,626	\$ -	100.00%	2.53%	\$ 61,799	\$ 61,799	\$ -	100.00%	2.09%
Atascadero (quarterly)	\$ -	\$ -	\$ -	100.00%	0.00%	\$ 73,924	\$ 73,924	\$ -	100.00%	2.49%
Grover	\$ 2,220	\$ 2,220	\$ -	100.00%	1.00%	\$ 23,031	\$ 23,031	\$ -	100.00%	0.78%
Adjustment for Actual TBID Collected	\$ (26,985)	\$ -	\$ (26,985)	100.00%	-12.13%	\$ 152,521	\$ 181,060	\$ (28,539)	84.24%	5.15%
Interest Income	\$ 2,104	\$ 600	\$ 1,504	350.74%	0.95%	\$ 12,093	\$ 7,619	\$ 4,474	158.72%	0.41%
Total Income	\$ 222,550	\$ 269,554	\$ (48,508)	82.56%	100.00%	\$ 2,963,719	\$ 3,010,985	\$ (51,739)	98.43%	100.00%
Expenses										
Contingency Reserve	\$ 11,022	\$ 12,368	\$ (1,346)	89.12%	3.22%	\$ 147,329	\$ 148,749	\$ (1,420)	99.05%	6.29%
G&A	\$ 19,809	\$ 22,599	\$ (2,790)	87.65%	5.78%	\$ 178,593	\$ 180,754	\$ (2,160)	98.80%	7.63%
Industry Research and Resources	\$ 55,413	\$ 74,277	\$ (18,864)	74.60%	16.18%	\$ 361,870	\$ 387,171	\$ (25,301)	93.47%	15.46%
Travel Trade	\$ 21,781	\$ 23,801	\$ (2,020)	91.51%	6.36%	\$ 186,282	\$ 188,642	\$ (2,360)	98.75%	7.96%
Communications	\$ 20,302	\$ 29,458	\$ (9,155)	68.92%	5.93%	\$ 199,749	\$ 220,296	\$ (20,548)	90.67%	8.53%
Advertising	\$ 178,637	\$ 279,567	\$ (100,929)	63.90%	52.14%	\$ 955,218	\$ 1,071,262	\$ (116,044)	89.17%	40.80%
Promotions	\$ 1,807	\$ 3,054	\$ (1,247)	59.16%	0.53%	\$ 30,489	\$ 35,931	\$ (5,442)	84.85%	1.30%
Events	\$ 958	\$ 0	\$ 958	0.28%	0.28%	\$ 47,162	\$ 46,180	\$ 982	102.13%	2.01%
Digital Marketing	\$ 25,353	\$ 23,290	\$ 2,062	108.86%	7.40%	\$ 210,284	\$ 210,061	\$ 223	100.11%	8.98%
Film Commission	\$ 7,500	\$ 3,260	\$ 4,240	230.06%	2.19%	\$ 24,246	\$ 24,701	\$ (455)	98.16%	1.04%
Total Expenses	\$ 342,581	\$ 471,674	\$ (129,092)	72.63%	100.00%	\$ 2,341,223	\$ 2,513,747	\$ (172,524)	93.14%	100.00%
Surplus(Deficit)	\$ (120,032)	\$ (202,120)	\$ 80,584	59.39%		\$ 622,497	\$ 497,238	\$ 120,785	125.19%	

Cash Flow

Surplus (Deficit)	\$ (120,032)
Beginning Cash Balance	\$ 2,240,352
Change in Accounts Receivable	\$ 152,063
Change in Accrued Expenses	\$ 26,639
Change in Prepaid Expenses	\$ (44,466)
Change in Accounts Payable	\$ 109,689
Change in Reserve Contingency	\$ 11,022

Ending Cash Balance

Contingency Reserve - 5% of Cumulative Revenue	\$ 2,375,268
Liability on Balance Sheet	\$ (713,282)

Net Available Cash

	\$ 1,661,986
--	--------------

Comments to the Board:

- \$120k deficit for February (\$81k lower deficit than reforecast budget). \$623k surplus year-to-date (\$121k larger surplus than reforecast budget). We are projecting an \$85k surplus by year-end if future months come in on budget.
- All TMD amounts accrued through December have been collected.
- Monies received from partners to help fund initiatives (co-op) are now being recorded as Income, versus a credit to Expenses as they have been recorded in the past.

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of February 28, 2019

	Feb 28, 19	Feb 28, 18	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,283,369.86	1,603,009.24	-319,639.38	-19.9%
1020 · Bank of the Sierra - Membership	222,572.79	128,791.51	93,781.28	72.8%
1030 · Morgan Stanley - TMD	603,923.45	400,346.77	203,576.68	50.9%
1040 · Morgan Stanley - Membership	102,479.20	100,202.04	2,277.16	2.3%
Total Checking/Savings	2,212,345.30	2,232,349.56	-20,004.26	-0.9%
Accounts Receivable				
1200 · Accounts Receivable	579,876.40	485,542.21	94,334.19	19.4%
Total Accounts Receivable	579,876.40	485,542.21	94,334.19	19.4%
Other Current Assets				
1320 · Prepaid Rent	4,369.95	3,326.70	1,043.25	31.4%
1340 · Workman's Comp Deposit	367.00	387.00	-20.00	-5.2%
1350 · Prepaid Expenses	172,385.49	-202,799.54	375,185.03	185.0%
1330 · Employee Advances	113.93	0.00	113.93	100.0%
1499 · Undeposited Funds	162,922.86	0.00	162,922.86	100.0%
Total Other Current Assets	340,159.23	-199,085.84	539,245.07	270.9%
Total Current Assets	3,132,380.93	2,518,805.93	613,575.00	24.4%
Fixed Assets				
1400 · Fixed Assets				
1405 · Computer Hardware/Software	24,216.44	24,216.44	0.00	0.0%
1410 · Furniture & Fixtures	91,012.07	91,012.07	0.00	0.0%
1415 · Leasehold Improvements	37,301.15	37,301.15	0.00	0.0%
1425 · Office Equipment	14,560.10	14,560.10	0.00	0.0%
Total 1400 · Fixed Assets	167,089.76	167,089.76	0.00	0.0%
1500 · Accumulated Depreciation				
1505 · Comp. Hdwr/Sftwr. Acc. Depr.	-15,088.17	-15,088.17	0.00	0.0%
1510 · Furn. & Fixt. Accum. Depr.	-6,208.00	-6,208.00	0.00	0.0%
1515 · Leasehold Imp. Accum. Depr.	-1,630.00	-1,630.00	0.00	0.0%
1525 · Office Equip. Accum. Depr.	-4,915.00	-4,915.00	0.00	0.0%
Total 1500 · Accumulated Depreciation	-27,841.17	-27,841.17	0.00	0.0%
Total Fixed Assets	139,248.59	139,248.59	0.00	0.0%
Other Assets				
1600 · Intangibles				
1605 · Trademark - Slocat	15,750.00	15,750.00	0.00	0.0%
Total 1600 · Intangibles	15,750.00	15,750.00	0.00	0.0%
Total Other Assets	15,750.00	15,750.00	0.00	0.0%
TOTAL ASSETS	3,287,379.52	2,673,804.52	613,575.00	23.0%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	299,416.32	156,913.84	142,502.48	90.8%
Total Accounts Payable	299,416.32	156,913.84	142,502.48	90.8%
Credit Cards				
2060 · American Express Credit Card	-994.67	17,829.32	-18,823.99	-105.6%
Total Credit Cards	-994.67	17,829.32	-18,823.99	-105.6%
Other Current Liabilities				
2070 · Accrued Liabilities	159,604.22	0.00	159,604.22	100.0%
2010 · Deferred Revenue	10,920.00	0.00	10,920.00	100.0%
2100 · Payroll Liabilities				
2160 · Health Insurance Withheld	-505.21	0.00	-505.21	-100.0%
Total 2100 · Payroll Liabilities	-505.21	0.00	-505.21	-100.0%
Total Other Current Liabilities	170,019.01	0.00	170,019.01	100.0%
Total Current Liabilities	468,440.66	174,743.16	293,697.50	168.1%
Total Liabilities	468,440.66	174,743.16	293,697.50	168.1%
Equity				

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03/13/19

Accrual Basis

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of February 28, 2019

	Feb 28, 19	Feb 28, 18	\$ Change	% Change
3120 · Reserved Earnings	713,282.17	504,200.58	209,081.59	41.5%
3130 · Retained Earnings	1,482,536.79	1,125,416.90	357,119.89	31.7%
Net Income	623,119.90	869,443.88	-246,323.98	-28.3%
Total Equity	2,818,938.86	2,499,061.36	319,877.50	12.8%
TOTAL LIABILITIES & EQUITY	3,287,379.52	2,673,804.52	613,575.00	23.0%

PROFESSIONAL SKILL OVERVIEW

- Digital marketing expertise, with complete understanding of strategy and brand development
- Innovative and experienced multi-property hospitality professional
- Successful track record of leading teams, growing revenues and improving profitability
- Excellent leadership skills that demonstrate adaptability, flexibility and the ability to motivate staff and vendors to exceed expectations
- Strong communication, analytical, and financial management skills
- Enthusiastic, creative, entrepreneurial style
- Exceptional project management skills

Blu Hotel Management, Santa Barbara, California

Principle/Owner February 2019 - Present

Oversee the San Luis Obispo County hotel management contracts which currently include Avila Village Inn.

Momentum Strategies, Paso Robles, California

President/CEO August 2018 - Present

Serve as the leader of the company focused on successful marketing strategy and execution focused on tourism and hotel marketing clients.

Martin Resorts, San Luis Obispo, California

Chief Executive Officer February 2017-June 2018

Vice President, Strategy March 2016-February 2017

Vice President, Marketing & Sales July 2013 - March 2016

Significantly altered the marketing direction of the company toward a digital/online focus, restructured processes and procedures to drive efficiencies, and delivered a high level of customer service to the hotel operations team. With a focus on big picture strategies, along with tactical refinements, and an effort to drive cost savings, increased revenue (same number of rooms) by more than 25 percent. Successfully rebranded two Best Western PLUS hotels to boutique independent hotels significantly increasing RevPAR. Developed strategies, including the construction of 24 additional rooms in Paso Robles which will help drive future company value.

EliteMeetings.com, Santa Barbara, California

Branding Strategy Consultant 2012 - 2013

Developed B2B strategic marketing plan for EliteMeetings.com - a website portal matching meeting planners with luxury hotels. Prioritized plan to utilize existing resources and recommended phased approach to overall execution. Plan included overarching brand messaging, inbound marketing strategies, customer lifecycle mapping with triggered email marketing, a loyalty program, public relations outreach (including white paper strategies, blog and social), key results/performance dashboard, and other digital marketing strategies to drive qualified leads.

Pacifica Hotel Company, Santa Barbara, California

Vice President, Marketing and Sales 2003 - 2012

Responsible for \$100 million in revenue for Pacifica Hotel Company, the largest operator of independent boutique California coastal hotels. Successfully generated revenues through the development and execution of innovative, customized business plans for 26 hotels and all company-managed restaurants. Led the revenue team for the company.



Visit SLO CAL MARKETING COMMITTEE APPLICATION FORM

NAME OF APPLICANT: Janine Dion
COMPANY: Boutique Hotel Collection
ADDRESS: 285 Bridge St, San Luis Obispo, CA 93401
PHONE: (805) 544-4444 EMAIL: janine@cliffshotelandspa.com
TOTAL YEARS IN HOSPITALITY INDUSTRY: 7
TOURISM-RELATED MARKETING EXPERIENCE:

Currently running social media profiles for Cliffs Hotel and Spa (3 total) and Sycamore Mineral Springs Resort (1 currently, creating 2 others). In addition to creating in house marketing materials for Cliffs Hotel and Spa and designing and placing advertisements in local and national publications. Assisting other BHC properties, making sure that they are up to date on all social media trends and updates.

Employment History

CURRENT EMPLOYER: Boutique Hotel Collection/Cliffs Hotel and Spa YRS OF SERVICE: 3
TITLE: Marketing and Social Media Manager
PAST EMPLOYER: Sycamore Mineral Springs YRS OF SERVICE: 4
TITLE: Front Desk Supervisor

Community/Board Involvement

ORGANIZATION: Pismo Beach Hospitality Association TITLE: Secretary
DATES OF INVOLVEMENT: December 2015 - present
ORGANIZATION: _____ TITLE: _____
DATES OF INVOLVEMENT: _____
ORGANIZATION: _____ TITLE: _____
DATES OF INVOLVEMENT: _____

Individuals interested in serving on the Marketing Committee should send this **Application Form**, along with a **cover letter** and any background (**resume or list of key accomplishments** – no more than two pages total) to demonstrate their active role in marketing, branding, public relations or digital media as it relates to tourism in San Luis Obispo County, to Jordan@SLOCAL.com. For more information, contact Visit SLO CAL at (805) 541-8000.



VISIT SLO CAL MARKETING COMMITTEE APPLICATION FORM

NAME OF APPLICANT: Joel Peterson
COMPANY: Paso Robles Wine Country Alliance
ADDRESS: 1446 Spring St. Paso Robles, CA 93446
PHONE: 805-610-2204 EMAIL: jpeterson@pasowine.com
TOTAL YEARS IN HOSPITALITY INDUSTRY: 15+
TOURISM-RELATED MARKETING EXPERIENCE:

I've worked in the wine & beer industry for 15+ years in branding, marketing & public rela

Employment History

CURRENT EMPLOYER: Paso Robles Wine Country Alliance YRS OF SERVICE: -
TITLE: Executive Director
PAST EMPLOYER: Firestone Walker Brewing Co. YRS OF SERVICE: 2
TITLE: Marketing Manager

Community/Board Involvement

ORGANIZATION: Paderewski Festival TITLE: Board Member
DATES OF INVOLVEMENT: 2008 - current, past president, co-founder of festival
ORGANIZATION: Paso Robles Joint Unified School Board TITLE: Board Member
DATES OF INVOLVEMENT: 2012 - current
ORGANIZATION: Paso Robles Tourism Collaboration Com TITLE: Member
DATES OF INVOLVEMENT: 2014 - 2016

Individuals interested in serving on the Marketing Committee should send this **Application Form**, along with a **cover letter** and any background (**resume or list of key accomplishments** ~ no more than two pages total) to demonstrate their active role in marketing, branding, public relations or digital media as it relates to tourism in San Luis Obispo County, to Jordan@SLOCAL.com. For more information, contact Visit SLO CAL at (805) 541-8000.



VISIT SLO CAL MARKETING COMMITTEE APPLICATION FORM

NAME OF APPLICANT: Anne Steinhauer
COMPANY: San Luis Obispo Wine Association
ADDRESS: PO Box 607, Pismo Beach, CA 93448
PHONE: 805.541.5868 EMAIL: anne@slowine.com
TOTAL YEARS IN HOSPITALITY INDUSTRY: 11
TOURISM-RELATED MARKETING EXPERIENCE:

Over the last 11 years, I have worked in tourism-related marketing, specifically for the w

Employment History

CURRENT EMPLOYER: SLO Wine Association YRS OF SERVICE: Start 2/4/19
TITLE: Executive Director
PAST EMPLOYER: 6539 Consulting YRS OF SERVICE: 4
TITLE: Owner

Community/Board Involvement

ORGANIZATION: Napa County Historical Society TITLE: Board of Directors
DATES OF INVOLVEMENT: June 2018 - January 2019
ORGANIZATION: St. Helena Hospital Foundation Board of Ambassador TITLE: Ambassador
DATES OF INVOLVEMENT: 2014-2018
ORGANIZATION: Napa County Fairgrounds TITLE: Board of Directors
DATES OF INVOLVEMENT: 2012-2018

Individuals interested in serving on the Marketing Committee should send this **Application Form**, along with a **cover letter** and any background (**resume or list of key accomplishments** – no more than two pages total) to demonstrate their active role in marketing, branding, public relations or digital media as it relates to tourism in San Luis Obispo County, to Jordan@SLOCAL.com. For more information, contact Visit SLO CAL at (805) 541-8000.

2020-2030



**SAN LUIS OBISPO COUNTY
TOURISM MARKETING DISTRICT
MANAGEMENT DISTRICT PLAN**

*Prepared pursuant to the Property and Business Improvement District Law of
1994, Streets and Highways Code section 36600 et seq.*

March 21, 2019

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Prepared by
Civitas



I. OVERVIEW

Developed by San Luis Obispo County Visitors and Conference Bureau (Visit SLO CAL), the San Luis Obispo County Tourism Marketing District (SLOCTMD) is an assessment district proposed to provide specific benefits to payors, by funding marketing, advertising, and sales efforts for assessed businesses. The countywide TMD is a cooperative effort to collectively market all that San Luis Obispo County (SLO CAL) has to offer for the benefit of assessed lodging businesses.

Location: The renewed SLOCTMD includes all lodging businesses located within the boundaries of the cities of Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, and San Luis Obispo, and the unincorporated portions of the County of San Luis Obispo, as shown on the map in Section IV.

Services: The SLOCTMD is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales. Marketing, advertising, and sales will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales.

Budget: The total SLOCTMD annual budget for the initial year of its ten (10) year operation is anticipated to be approximately \$6,000,000.

Cost: The annual assessment rate is one and one-half percent (1.5%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt from Transient Occupancy Taxes by reason of express provision of federal law or international treaty; stays by employees of Federal Credit Unions while on official credit union business; and stays pursuant to contracts executed prior to July 1, 2015. Stays pursuant to contracts executed between July 1, 2015 and June 30, 2020 shall be subject to assessment at the rate of one percent (1%) of gross short-term room revenue.

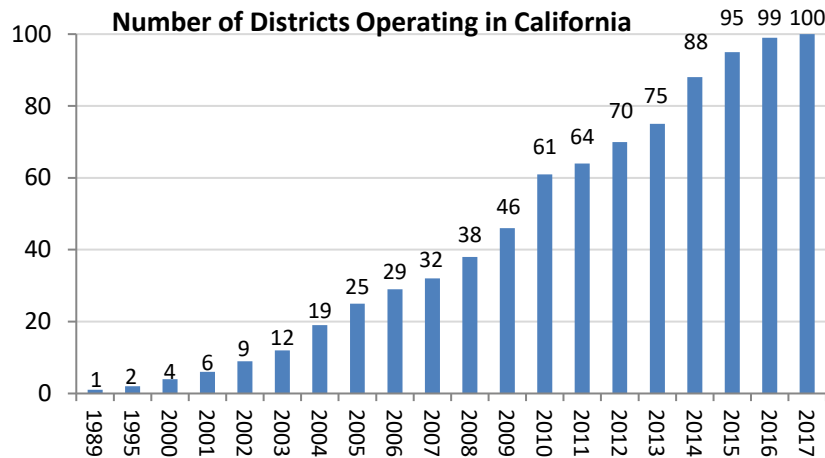
Collection: The County and cities will be responsible for collecting the assessment on a monthly or quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SLOCTMD, within their respective jurisdictions. The County and cities shall take all reasonable efforts to collect the assessments from each lodging business.

Duration: The renewed SLOCTMD will have a ten (10) year life, beginning July 1, 2020 through June 30, 2030. Once per year, beginning on the anniversary of SLOCTMD renewal, there is a thirty (30) day period in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a Board of Supervisors hearing on SLOCTMD termination.

Management: Visit SLO CAL will continue to serve as the SLOCTMD's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the Board of Supervisors.

II. BACKGROUND

TMDs are an evolution of the traditional Business Improvement District. The first TMD was formed in West Hollywood, California in 1989. Since then, over ninety California destinations have followed suit. In recent years, other states have begun adopting the California model – Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TMD laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TBID. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TMDs without a state law.



California's TMDs collectively raise over \$250 million annually for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that SLO CAL lodging businesses continue to invest in stable, lodging-specific marketing programs.

TMDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TMDs allow lodging business owners to organize their efforts to increase demand for room night sales. Lodging business owners within the TMD pay an assessment and those funds are used to provide services that increase demand for room night sales.

In California, TMDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TMDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TMDs:

- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

III. MAJOR ACCOMPLISHMENTS

From 2015-2020, Visit SLO CAL accomplished significant efforts within the SLOCTMD. These accomplishments are listed below:

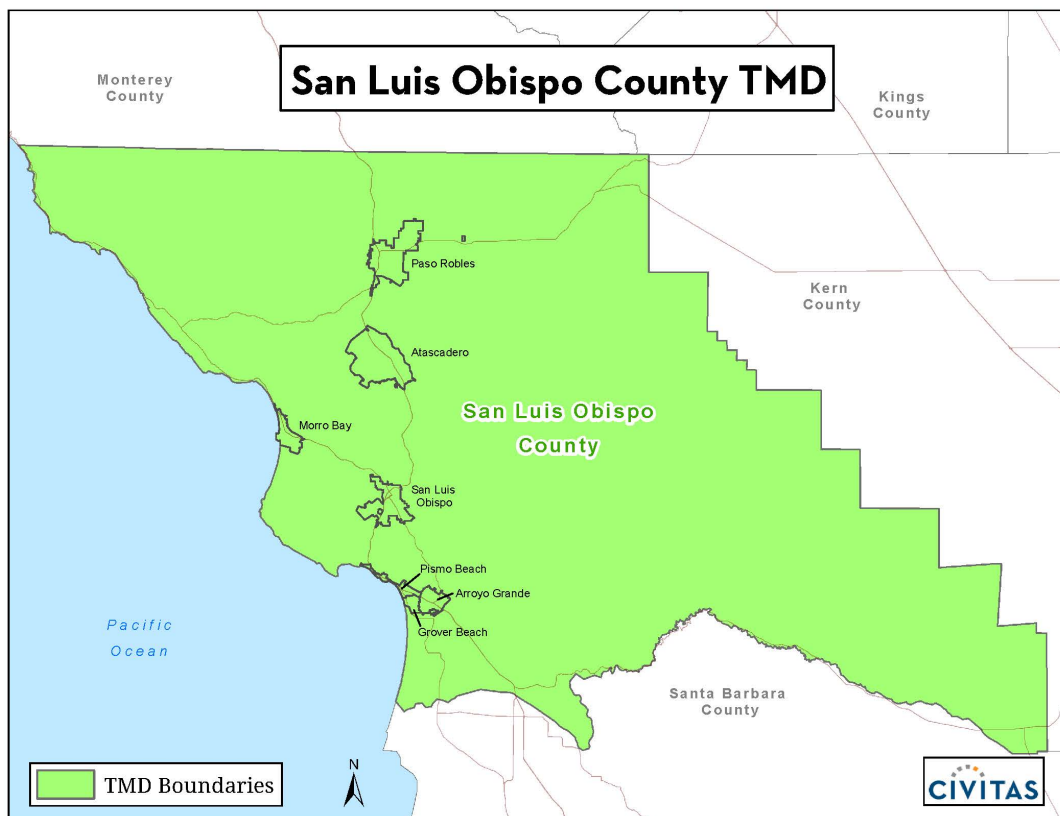
- Tourism Marketing District Approved (June 2015)
- Developed Crisis Communication Plan (September 2015)
- Economic Impact of Tourism Exceeds \$1.5B (December 2015)
- First Shoulder Season Marketing Campaign Launched (January 2016)
- New Booking Engine Partnership (March 2016)
- First-of-their-Kind Countywide Research Studies Completed (April 2016)
- AMGEN Tour of California in SLO CAL (Morro Bay) (April 2016)
- National Advertising Agency Hired (May 2016)
- Strategic Direction 2020 Approved (June 2016)
- Chimney Fire - Crisis Communication Plan Activated (August 2016)
- First SAVOR - A San Luis Obispo County Experience - San Diego (November 2016)
- Highway 1 Closure (November 2016)
- UK Trade & Media Representation Contract Begins (November 2016)
- Inclusion in Visit California Television Ad (Morro Rock) (Winter 2016)
- SLO CAL Brand and Life's Too Beautiful to Rush Campaign Launched (January 2017)
- SAVOR - A San Luis Obispo County Experience – Seattle (February 2017)
- New Air Service from Seattle Begins (April 2017)
- AMGEN Tour of California in SLO CAL (Pismo Beach/Morro Bay) (April 2017)
- Conference Center Feasibility Study Completed (April 2017)
- New Air Service from Denver Begins (June 2017)
- \$1M Ad Campaign Launched (October 2017)
- Hired National PR Agency (TURNER PR) (November 2017)
- Inclusion in Visit California Television Ad (Oceano Dunes) (Winter 2017)
- Thomas Fire - Crisis Communication Plan Activated (December 2017)
- Launched SLOCAL.com, SLO CAL Connection and CRM (February 2018)
- Poppy Award for Best Digital Campaign (February 2018)
- Launched Destination Management Strategy Process (May 2018)
- Launched “SLO CAL Storytellers” Ambassador Program (June 2018)
- Received DMAP Accreditation (July 2018)
- Highway 1 Re-Opens (July 2018)
- Visit SLO CAL Champions Dream Drive Event (August 2018)
- \$1M Ad Campaign Launched (September 2018)
- New Air Service from Dallas Begins (April 2019)
- Completion of Destination Management Strategy (Spring 2019)

IV. BOUNDARY

The SLOCTMD will include all lodging businesses, existing and in the future, available for public occupancy within the boundaries of the cities of Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, and San Luis Obispo, and the unincorporated portions of the County of San Luis Obispo.

Lodging business shall mean any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, short-term vacation rental, 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; and shall further include any space, lot, area or site in any trailer court, recreational vehicle park, mobile home park, camp, park or lot where a trailer, tent, recreational vehicle, mobile home, motorhome, or other similar conveyance is occupied or intended or designed for occupancy by transients dwelling, lodging or sleeping purposes.

The boundary, as shown in the map below, currently includes [Total # of Lodging Businesses] lodging businesses. A complete listing of lodging businesses within the renewed SLOCTMD can be found in Appendix 2.

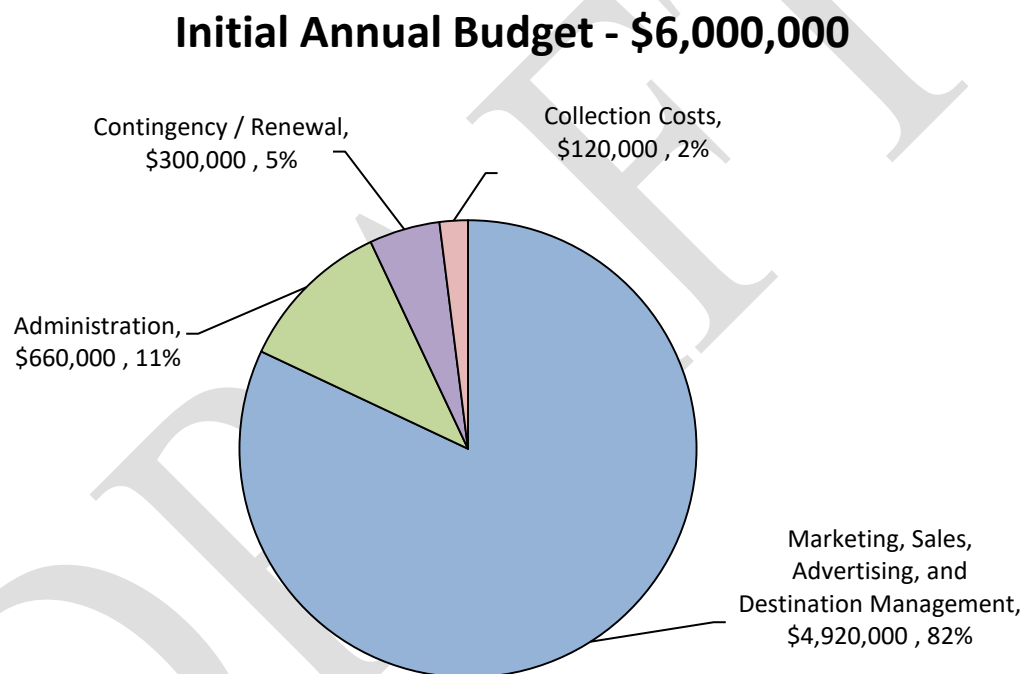


V. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the County of conferring the benefits or granting the privileges. The privileges and services provided with the SLOCTMD funds are marketing, advertising, and sales programs available only to assessed businesses. There shall be industry-specific marketing included in the marketing program, including marketing of bed and breakfasts, vacation rentals, and RV parks.

A service plan budget has been developed to deliver services that benefit the assessed businesses. A detailed annual budget will be developed and approved by the Visit SLO CAL Board. The table below illustrates the initial annual budget allocations. The total initial budget is \$6,000,000.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the County and the Visit SLO CAL board shall have the authority to adjust budget allocations between the categories by no more than twenty-five percent (25%) of the total budget per year. A description of the proposed improvements and activities is listed below. The same activities are proposed for subsequent years. In the event of a legal challenge against the SLOCTMD, any and all assessment funds may be used for the costs of defending the SLOCTMD.

Each budget category includes all costs related to providing that service, in accordance with Generally Accepted Accounting Procedures (GAAP). For example, the marketing budget includes the cost of staff time dedicated to overseeing and implementing the marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories, as appropriate in accordance

with GAAP. The staffing levels necessary to provide the services below will be determined by Visit SLO CAL and their Board on an as-needed basis.

Marketing, Sales, Advertising & Destination Management

A marketing, sales, advertising, and destination management and advertising program will promote SLO CAL as a tourist, meeting, and event destination. The program will have a central theme of promoting SLO CAL as a desirable place for overnight visits. Sales efforts will be designed to attract group, leisure travel, meetings and conferences and event business to SLO CAL. The program will have the goal of increasing awareness for overnight visitation and demand for room night sales at assessed businesses, and may include the following activities:

- Strategic planning and message positioning to attract overnight visitors to assessed businesses;
- Brand development and management to attract overnight visitors to assessed businesses;
- Digital marketing, advertising and promotions to drive demand for lodging sales at assessed businesses, including blogs, e-newsletters, social media and direct response campaigns;
- Website development and maintenance to drive demand for lodging sales at assessed businesses;
- Media and public relations to increase destination awareness and demand for overnight stays at assessed businesses;
- Radio, print and tv advertising to increase destination awareness and demand for overnight stays at assessed businesses;
- Domestic and international sales missions to increase awareness and demand for overnight stays at assessed businesses;
- Staff engaged in implementing marketing, advertising, promotions and sales activities to increase awareness and demand for overnight stays at assessed businesses;
- Seasonal and event-related promotions and event guides to drive demand for lodging sales at assessed businesses;
- Strategic partnerships with travel associates to increase awareness and demand for overnight stays at assessed businesses;
- Management of a resource library to assist assessed businesses with sales and marketing efforts;
- Event marketing to increase awareness and demand for overnight stays at assessed businesses;
- Consumer communication for the benefit of assessed businesses;
- Working with and as the Film Commission (Film SLO CAL) to increase awareness and demand for overnight stays at assessed businesses;
- Attendance of conferences, events, and trade shows to showcase the destination and to increase awareness and demand for overnight stays at assessed businesses;
- Research on market conditions and opportunities to increase awareness and demand for overnight stays at assessed businesses;
- Management of a destination media kit to increase awareness and demand for overnight stays at assessed businesses;
- Development, production and distribution of a destination visitors' magazine to increase awareness and demand for overnight stays at assessed businesses; and
- Destination management for the benefit of assessed businesses.

Administration

The administrative and operations portion of the budget shall be utilized for administrative (non-program) staffing costs, office costs, and other general program-related administrative costs such as insurance, legal, auditing, and accounting fees.

Collection Costs

The County and each City shall retain a fee equal to two percent (2%) of the amount of assessment collected, within their respective jurisdictions, to cover its costs of collection and administration.

Contingency/Renewal

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the Visit SLO CAL Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Visit SLO CAL Board. Contingency/renewal funds may be spent on District programs or administrative and renewal costs in such proportions as determined by the Visit SLO CAL Board. The reserve fund may be used for the costs of renewing the SLOCTMD.

B. Annual Budget

The total ten (10) year improvement and service plan budget is projected at approximately \$6,000,000 annually, or \$60,000,000 through 2030. This amount may fluctuate as sales and revenue increase at assessed businesses, but is not expected to change significantly over the term.

C. California Constitutional Compliance

The SLOCTMD assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term ‘assessments’ to levies on real property.¹ Rather, the SLOCTMD assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the SLOCTMD, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the County of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”² The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific businesses within the SLOCTMD. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the SLOCTMD, and are narrowly tailored. SLOCTMD funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in SLOCTMD programs, or to directly generate sales for non-assessed businesses. The activities paid

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

² Cal. Const. art XIII C § 1(e)(1)

for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses.

The assessment imposed by this SLOCTMD is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in demand for room night sales. The specific benefit of an increase in demand for room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing, advertising, and sales programs promoting lodging businesses paying the SLOCTMD assessment. The marketing, sales, and advertising programs will be designed to increase demand for room night sales at assessed lodging businesses. Because they are necessary to provide the marketing, advertising, and sales programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased demand for room night sales to the assessed lodging businesses.

Although the SLOCTMD, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the SLOCTMD are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

3. Reasonable Cost

SLOCTMD services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the Visit SLO CAL Board, and reports submitted on an annual basis to the County. Marketing materials, sales leads generated from SLOCTMD-funded activities, advertising campaigns, and other SLOCTMD-funded services will be designed only to increase additional demand for room night sales at assessed lodging businesses. Non-assessed lodging businesses will not receive these, nor any other, SLOCTMD-funded services and benefits.

The SLOCTMD-funded programs are all targeted directly at providing additional demand for room nights only at assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights may be paid with non-SLOCTMD funds. SLOCTMD funds shall only be spent to benefit the assessed businesses, and shall not be spent

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is one and one-half percent (1.5%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt from Transient Occupancy Taxes by reason of express provision of federal law or international treaty; stays by employees of Federal Credit Unions while on official credit union business; and stays pursuant to contracts executed prior to July 1, 2015. Stays pursuant to contracts executed between July 1, 2015 and June 30, 2020 shall be subject to assessment at the rate of one percent (1%) of gross short-term room revenue.

The term “gross room rental revenue” as used herein means: the consideration charged, whether or not received, for the occupancy of space in a lodging business valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction. Gross room rental revenue includes, but is not limited to, fees, such as parking fees, resort fees, cleaning fees, pet fees, roll-away bed fees, energy fees, or miscellaneous fees and non-refundable deposits (including reservation fees) charged as a condition of occupying a room or rooms. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. If the SLOCTMD assessment is identified separately it shall be disclosed as the “TMD Assessment.” As an alternative, the disclosure may include the amount of the SLOCTMD assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the “Tourism Assessment.” The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purpose, including calculation of transient occupancy taxes.

Bonds shall not be issued.

E. Penalties and Interest

The SLOCTMD shall reimburse the cities and County for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent SLOCTMD assessment are sought to be recovered in the same collection action by the cities and County, the SLOCTMD shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency*

Any business which fails to remit the assessment within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.

2. *Continued Delinquency*

Any business which fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.

3. *Fraud*

If it is determined that nonpayment of any remittance is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the above penalties.

4. *Interest*

In addition to the penalties imposed, any business which fails to remit any assessment shall pay interest at the rate of one-half of one percent (0.5%) per month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the assessment first became delinquent until paid.

5. *Penalties Merged with Assessment*

Every penalty imposed and such interest as accrues shall become part of the assessment required to be paid.

F. Time and Manner for Collecting Assessments

The SLOCTMD assessment will be implemented beginning July 1, 2020 and will continue for ten (10) years through June 30, 2030. The cities and County will be responsible for collecting the assessment on a monthly or quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in their respective jurisdictions. The cities and County shall take all reasonable efforts to collect the assessments from each lodging business within their respective jurisdiction.

The cities and County shall forward the collected assessment to the Owners' Association within thirty (30) days of receiving the assessments. Any City or County that is delinquent in forwarding the collected assessment to the Owners' Association shall be responsible for paying:

1. *Original Delinquency*

Any City or County which fails to remit the assessment within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.

2. *Continued Delinquency*

Any City or County which fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.

VI. GOVERNANCE

A. Owners' Association

The Board of Supervisors, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the SLOCTMD as defined in Streets and Highways Code §36612. The Board of Supervisors has determined that San Luis Obispo County Visitors and Conference Bureau (Visit SLO CAL) will serve as the Owners' Association for the SLOCTMD.

Board of Directors

The Visit SLO CAL Board will strive to ensure that each jurisdiction is represented in approximate proportion to the amount contributed by lodging businesses in that jurisdiction. Each Director must be the owner or the general manager of an assessed lodging business, except for the County representative. The Directors will include the following:

- At least one representative of a lodging business in each jurisdiction
- At least one representative each from a vacation rental, a bed and breakfast, and an R.V. park
- At least one representative who is appointed by the County of San Luis Obispo
- At least one at-large assessed lodging business member

The Board of Directors shall be selected as follows:

- At least one lodging business representative from each of the cities shall be appointed by the respective jurisdiction's city council or tourism organization, as each city determines
- At least one lodging business representative shall be appointed by the County Board of Supervisors
- At least one additional representative at-large shall be appointed by the County Board of Supervisors
- Nominations shall be sought from the assessed lodging businesses for the remaining at-large seats. Nominations will be verified by the nominating committee, and a slate provided to the Board of Directors for election. The slate will take into consideration the requirement for various business types.

The Board of Directors shall serve for staggered three-year terms.

As part of the annual budget process, the Visit SLO CAL Board will review all staffing costs, including salaries and benefits.

Visit SLO CAL will also maintain two committees that will assist in managing and implementing the TMD funds and programs and communicating with the various jurisdictions.

Marketing Committee

The marketing committee's purpose will be to align marketing objectives and complementary strategies between community and county tourism marketing programming to optimize collaboration and reduce duplication. The committee will consist of managers and marketing professionals who have been selected through an application process that is managed and reviewed by the Visit SLO CAL Board of Directors and staff. The committee's recommendations will be submitted to the Visit SLO CAL Board of Directors for approval.

The Marketing Committee will include the following:

- The DMO manager from each community and the county unincorporated area
- At-large members, representing a mix of different sectors

DMO managers will have a standing seat on the Marketing Committee. At-large members shall serve for staggered three-year terms. At the initial meeting, each at-large member shall draw lots to determine their term.

Advisory Committee

The advisory committee will be comprised of one elected official and one city manager/county official from each participating community. Each community will determine its representative(s) to the committee. The participating communities or advisory committee may determine on their own to establish a core group of advisory committee individuals who will represent the broader group and interests of the communities on their behalf. The advisory committee will meet with the Visit SLO CAL Executive Committee a minimum of twice per year and no more than four times per year at the request of the advisory committee. Members of both bodies will be able to place items for discussion on the agenda. The advisory committee's input, concerns, and recommendations will be considered by Visit SLO CAL's Executive Committee when taking action on behalf of the organization. The advisory committee will liaise back to the communities they represent with programming updates and overall metrics demonstrating the impacts of the TMD on the County and cities.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the Visit SLO CAL Board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

C. Annual Report

The Visit SLO CAL shall present an annual report by October 31, for the previous fiscal year of operation, to the Board of Supervisors pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

D. Audits and Accounting

The County of San Luis Obispo shall be allowed to review the financial records of Visit SLO CAL relative to the SLOCTMD. Visit SLO CAL shall engage either an independent certified public accountant or the County auditor-controller to conduct annual audits. The audit report must be submitted to the County no more than six (6) months after the fiscal year ends.

DRAFT



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RESONANCE

February 25, 2019

VISIT SLOCAL DESTINATION MANAGEMENT STRATEGY PROFESSIONAL SERVICES AGREEMENT ADDENDUM No. 2

The following sets forth an update to the Professional Services Agreement executed between Visit SLOCAL and Resonance Consultancy LLLP in February 2018 for the Destination Management Strategy.

Resonance and Visit SLOCAL have agreed to add the following Activities.

Stage 12: Destination Management Strategy Planning Workshop and Workbook

The Professional Fees to complete the project can be summarized as follows:

Activity	Chris Fair	Richard Cutting-Miller	Staff	
Stage 12: Destination Management Strategy Planning Workshop and Workbook: Resonance will conduct a one day workshop with selected stakeholders to identify action / implementation plans, responsibilities, timing and resources necessary and available to implement the Destination Management Strategy recommendations. Resonance will compile these modalities into a DMS Workbook for Visit SLOCAL to guide implementation.				
Workshop	12 hours	12 hours	8 hours	
Workbook Delivery	8 hours	16 hours	12 hours	
Subtotal	\$5,000.00	\$7,000.00	\$2,500.00	
Total				\$14,500.00

Out-of-pocket expenses including travel to the Workshop are additional and will be billed at cost (estimated at \$2,500).



Resonance will bill 50% of the phase upon commencement and report on hours incurred upon each phases completion. As stated in the original Contract, a Substantial Change is defined as any change to the scope or workplan, as set forth in the Proposal, requested by VISIT SLO CAL, verbally or in writing, which results in actual registered professional hours greater than or equal to 5% of estimated project hours for any particular Phase and/or the project in total. Upon agreement with Visit SLOCAL for fees incurred to complete the phase, the balance of fees will be invoiced.

Please indicate your agreement to these changes with your signature below.

Best regards,

Chris Fair
President
Resonance Consultancy

Chuck Davison
President & CEO
Visit SLO CAL

- Industry Engagement -

Visit SLO CAL Welcomes Digital Marketing Coordinator

Please help Visit SLO CAL welcome Vanessa Robbins, Digital Marketing Coordinator. Born and raised in Santa Margarita, Vanessa comes to Visit SLO CAL with a degree in Business Administration and over 5 years of experience in Digital Marketing. As the Digital Marketing Coordinator, Vanessa is responsible for dissecting the data that helps lead our efforts across paid media, SLOCAL.com and owned media. Brand new to the tourism segment, Vanessa is excited to learn more about destination marketing and management while further developing her marketing skills.



Visit SLO CAL Attends Visit California Outlook Forum

On February 10-13 Visit SLO CAL attended Visit California's Outlook Forum. Speakers from many facets of the tourism industry shared insights and case studies during engaging keynote and educational sessions. Below are some key takeaways:

- **Destination Management** - Critical to the long-term success of tourism communities - when tourism isn't managed, the guest experience suffers
- **International travel** continues to grow in opportunity, in spite of some markets flattening out
 - Top markets are:
 - Canada, China, Japan and UK (by spend)
 - Canada, China, UK, Australia, Mexico (by numbers)
 - India, China, Brazil, Canada, Scandinavia & UK (by avg. # of nights)
 - Ctrip is the way into China business and FIT is growing
 - India is a market on the top watch list for growth
- **Leisure slowdown** -
 - Sentiment Index will go down in next 12 months
 - 32% of domestic US vacations are considering price
- **Business** -
 - 12% plan to take fewer trips, 32% plan to take more
 - 4% increase expected for 2019 in conventions and meeting travel
- **International** - US share of long-haul global travel - down to 12% - recent peak in 2013 at 16%
- **Disrupters** - Amazon is the next big disrupter in travel, and is leveraging Prime membership and consumer data - 44% would consider Amazon as their first choice for travel. if available



Visit SLO CAL Launches Paid Media Campaign in Dallas/Ft. Worth

In February, Visit SLO CAL launched a paid media campaign in Dallas/Ft. Worth to support the new flight to San Luis Obispo County Regional Airport launching April 2. New banners, video and native ad content were created and are running on social media, ADARA and Sharethrough.





Madonna Inn featured
on TLCme.com (left);
Pismo Beach surfers
featured on
@ReadySetJetSet
(right).



- PR and Travel Trade -

VSC-Assisted Media Placements

- TLCme.com (online) – [17 Incredibly Retro Wedding Venues](#)
- amNewYork (print + online) – [Escape to San Luis Obispo for Beaches, Wine Country and More](#)

Media Visits

- @ReadySetJetSet– Influencer
- @FashionbyAlly - Influencer

Travel Trade

- Attended GoWest Summit, February 25-28
- Black Diamond UK Sales Mission, March 16-23
- Up Next:
 - Black Diamond FAM, March 27-29
 - Virgin Holiday FAM, March 29-30
 - VCA Asia Sales Mission, April 16-17

Film SLO CAL

- Recent shoots:
 - Mercedes Benz
 - Jeep
 - Sony
- Filming Stats as of February 28
 - 12 Filming leads
 - 21 Productions
 - 36 Filming Days
 - 14 Rooms Used

Upcoming Events & Content Needs.

- **What's New & Summer Deals:** Visit SLO CAL is seeking information about What's New in SLO CAL in 2019 as well as summer deals. Be sure to send Jordan Carson (Jordan@SLOCAL.com) any unique happenings and offers for potential inclusion in blog posts, e-blasts and on social media.
- **Destination Summit:** Visit SLO CAL will be holding its annual Destination Summit (formerly Tourism Exchange on Thursday, May 9 at the Embassy Suites from 11:00 am – 4:30 pm with reception to follow. To RSVP, visit <http://bit.ly/2019DestinationSummit>.

VISIT SLO CAL WEB ACTIVITY

SESSIONS: 79,856
USERS: 67,366
PAGE VIEWS: 135,050
AVG. PAGE VIEWS/VISIT: 1.69
AVG. TIME ON SITE: 2:24
TOTAL ORGANIC TRAFFIC: 28,680
MOBILE SESSIONS: 59,045
MOST VISITED EVENT PAGE:
MORRO BAY CITYWIDE GARAGE
SALE (567)
MOST VISITED BLOG: ICONIC EATS
EVERY VISITOR SHOULD TRY (2,252)

VISIT SLO CAL SOCIAL MEDIA ACTIVITY

FACEBOOK: 46,170
TOT. ORGANIC IMPRESSIONS:
163,088
HIGHEST ORGANIC REACH: LEARN
THE LINGO BLOG (10K)
HIGHEST ORGANIC ENGAGEMENT:
SLO International Film Festival
(4.6K)
FOLLOWERS
TWITTER: 8,405
TOT. ORGANIC IMPRESSIONS: 39K
PINTEREST: 755
INSTAGRAM: 24,222

VISITOR GUIDE DIST.

SLOCAL.COM: 541
LOCAL DELIVERY: 3,500

THIS MONTH IN SLO CAL

SUBSCRIBERS 35,514
OPENS: 5,652
CLICK-THROUGHS: 1,574

THIS WEEK IN SLO CAL

CIRCULATION: 1,789
MOST CLICKED LINK:
STR REPORT

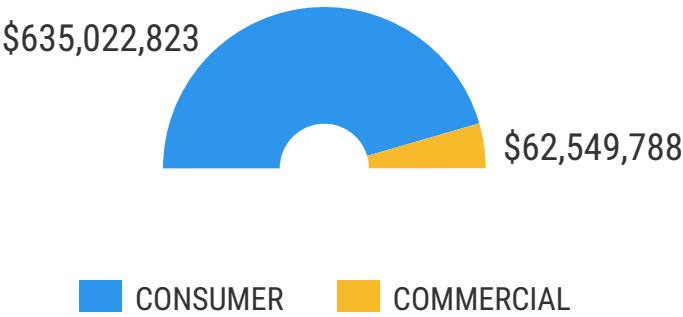
January 2019 vs January 2018 Lodging Statistics (STR, Inc.)

Current Month - January 2019 vs January 2018												
	Occ %		ADR		RevPAR		Percent Change from January 2018					
	2019	2018	2019	2018	2019	2018	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Atascadero, CA+	43.9	47.0	102.10	97.83	44.80	45.98	-6.6	4.4	-2.6	-2.4	0.2	-6.5
Cambria, CA+	51.9	50.1	148.65	145.20	77.09	72.77	3.5	2.4	5.9	5.9	0.0	3.5
Morro Bay, CA+	46.9	46.4	105.63	101.24	49.57	46.96	1.2	4.3	5.5	5.5	0.0	1.2
Paso Robles, CA+	52.2	56.3	115.42	117.44	60.27	66.16	-7.3	-1.7	-8.9	-8.9	0.0	-7.3
Pismo Beach, CA+	54.7	55.6	140.12	135.42	76.60	75.24	-1.6	3.5	1.8	1.8	0.0	-1.6
San Luis Obispo, CA+	59.3	58.0	125.86	119.31	74.61	69.15	2.3	5.5	7.9	7.9	0.0	2.3
San Simeon, CA+	37.8	32.3	102.92	102.70	38.93	33.16	17.2	0.2	17.4	17.2	-0.2	17.0
Five Cities+	54.1	53.5	131.60	128.74	71.16	68.91	1.0	2.2	3.3	3.3	0.0	1.0
North Coast+	45.5	42.3	129.61	128.19	59.00	54.27	7.5	1.1	8.7	8.6	-0.1	7.4
North County+	50.0	53.9	112.32	112.91	56.16	60.81	-7.2	-0.5	-7.6	-7.6	0.1	-7.1
South County+	56.5	55.6	128.81	124.19	72.76	69.02	1.6	3.7	5.4	5.4	0.0	1.6
San Luis Obispo County	52.3	52.2	123.72	120.41	64.75	62.86	0.3	2.7	3.0	3.0	0.0	0.3

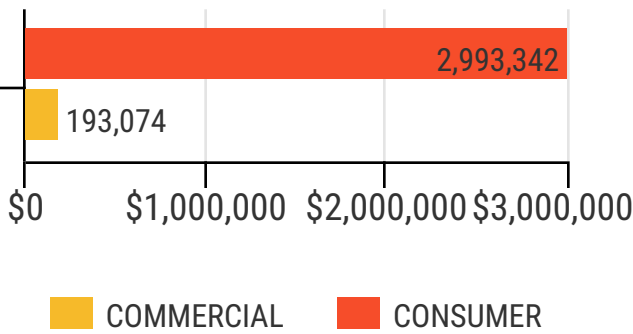
SOURCE: STR, INC. REPLICATION OR OTHER RE-USE OF THIS DATA WITHOUT THE EXPRESS WRITTEN PERMISSION OF STR IS STRICTLY PROHIBITED. THESE ARE CUSTOM SETS WHICH HAVE BEEN DEVELOPED BY STR FOR LICENSEE'S MARKET.

VisaVue® Travel - Domestic Tourism - San Luis Obispo County - 2018 Annual Report

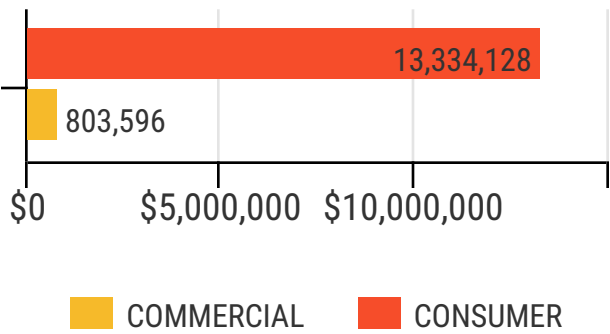
TOTAL SPEND: \$697,572,612



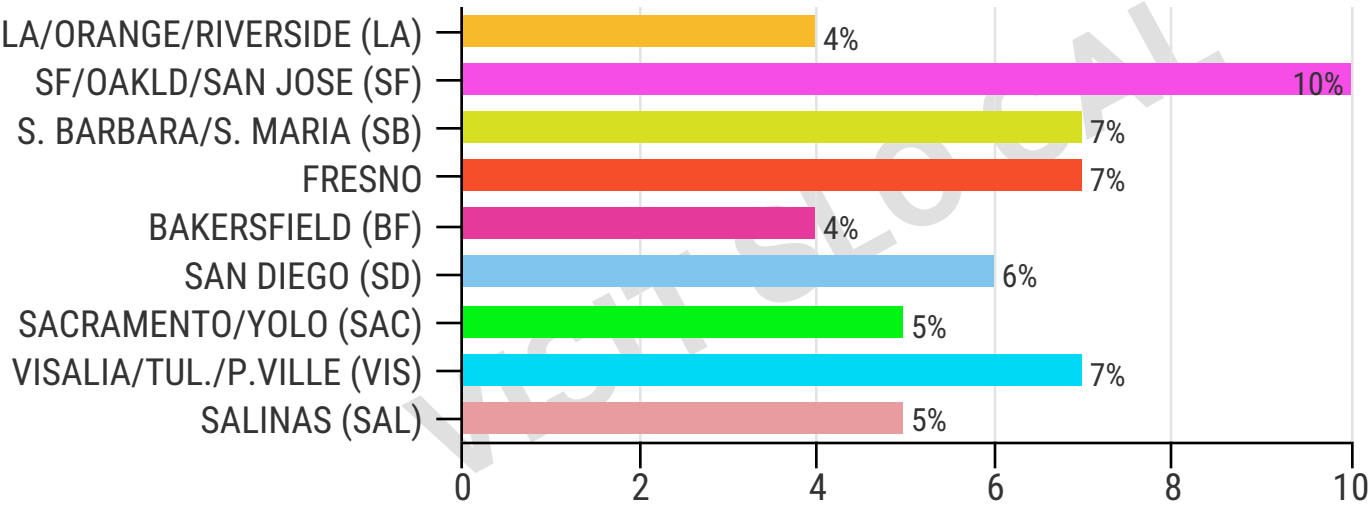
CARDHOLDER COUNT



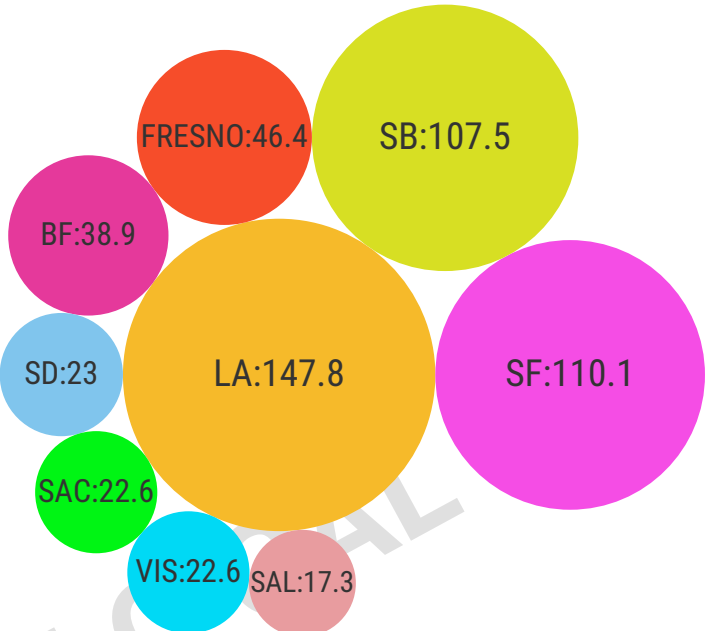
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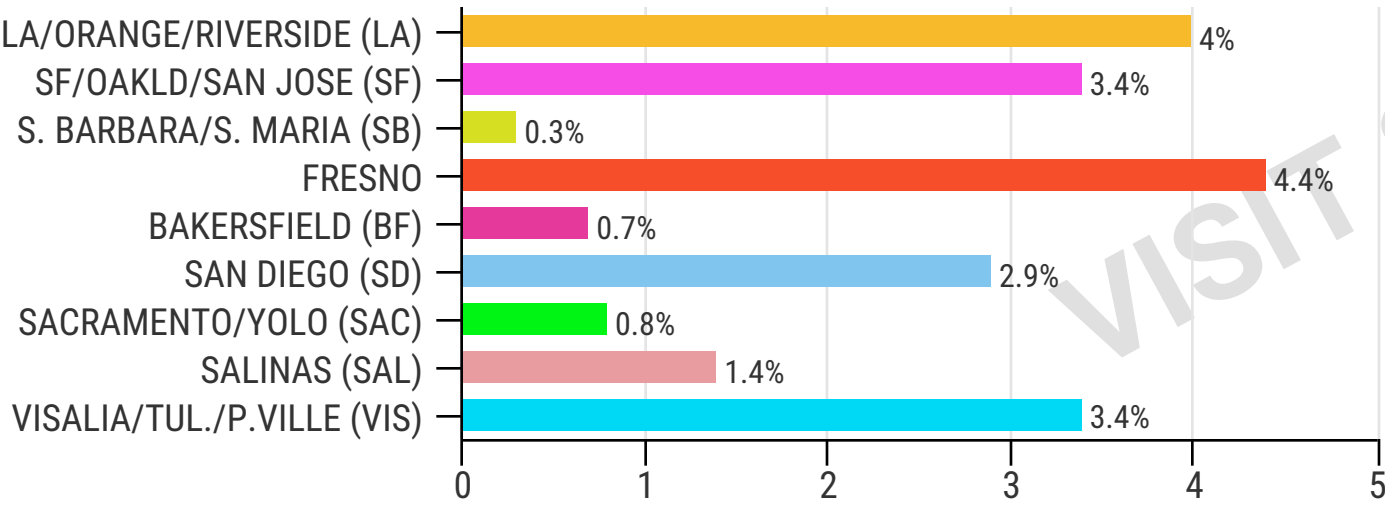
Top Originating MSAs Y/Y \$ Growth



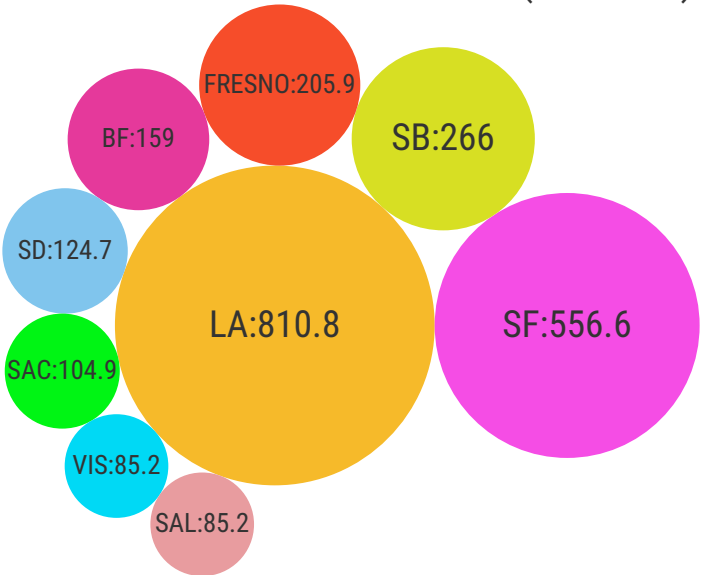
TOP ORIGINATING MSAs BY SPEND AMOUNT (\$M)



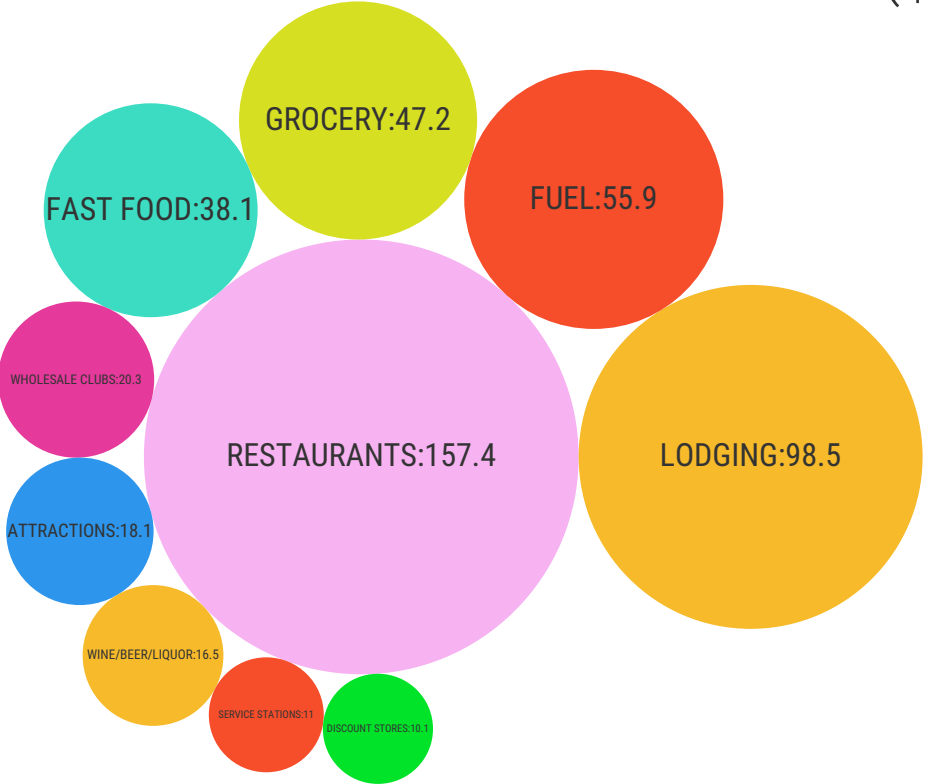
Top Originating MSAs Y/Y Cardholder Growth



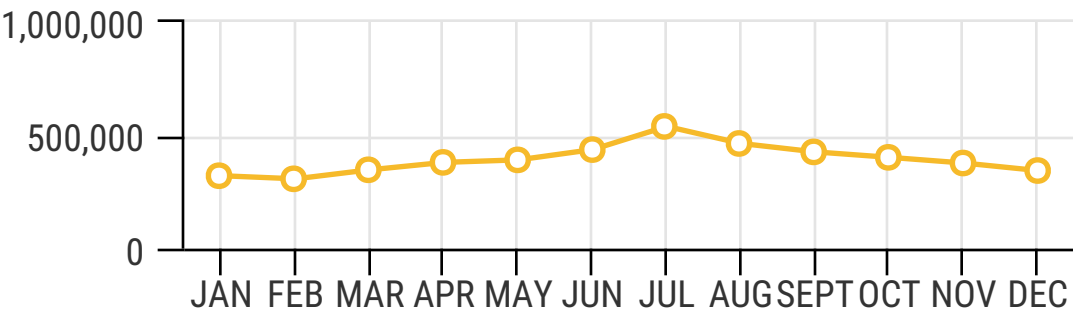
TOP ORIGINATING MSAs BY CARDHOLDER COUNT (1000's)



TOP MARKET SEGMENTS BY SPEND AMT (\$M)



Cardholder Count Trend

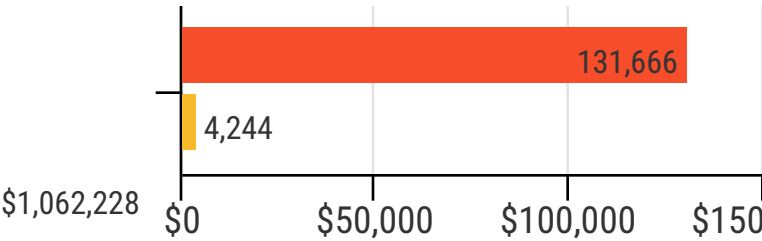


VisaVue® Travel - International Tourism - San Luis Obispo County - 2018 Annual Report

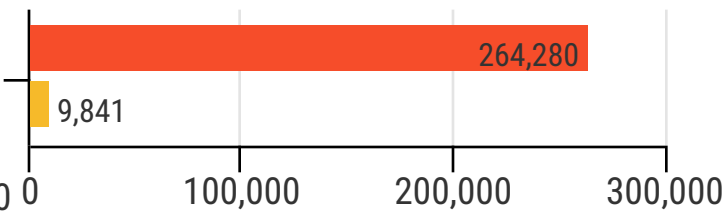
TOTAL SPEND: \$19,953,041



CARDHOLDER COUNT



TRANSACTION COUNT

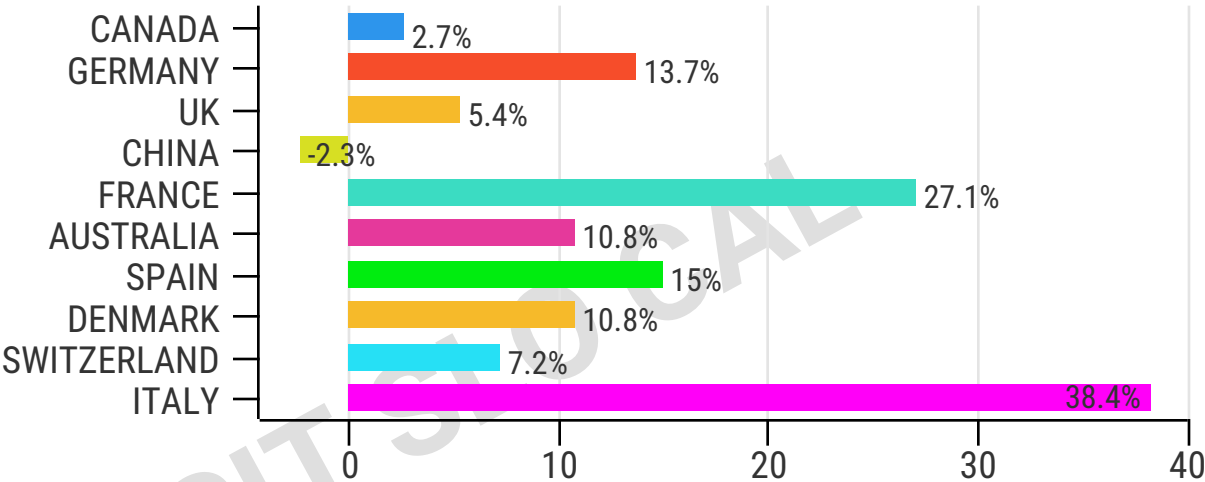


CONSUMER COMMERCIAL

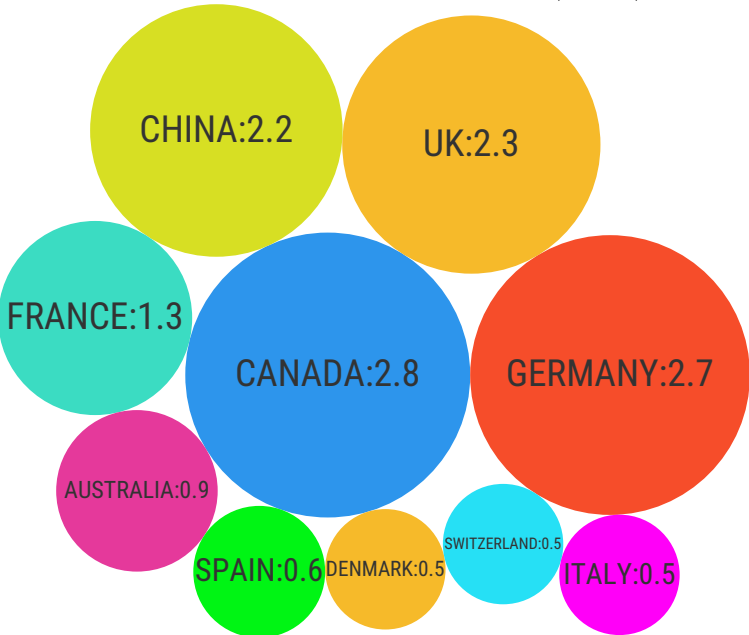
COMMERCIAL CONSUMER

COMMERCIAL CONSUMER

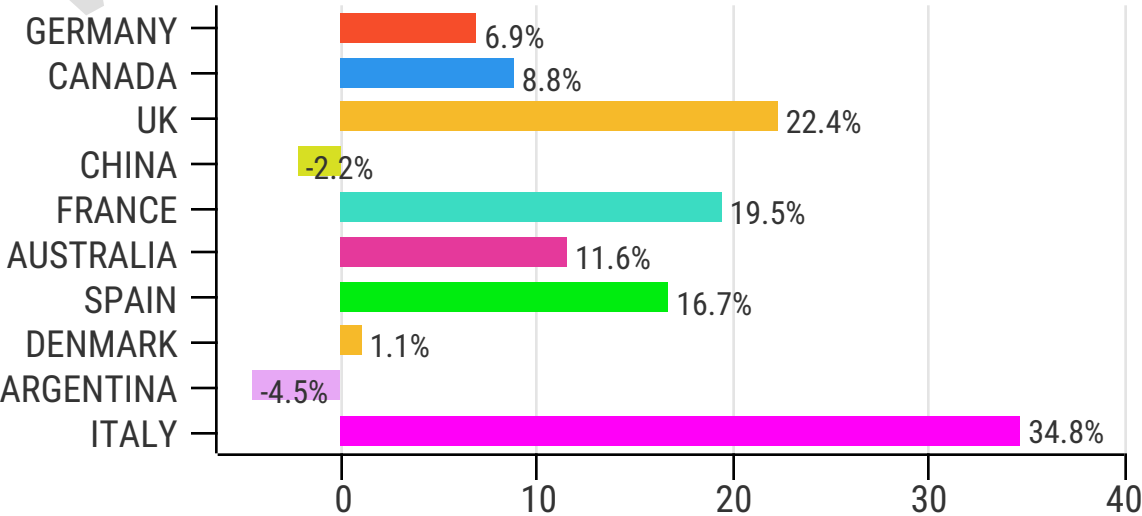
Top \$ Countries Y/Y Growth



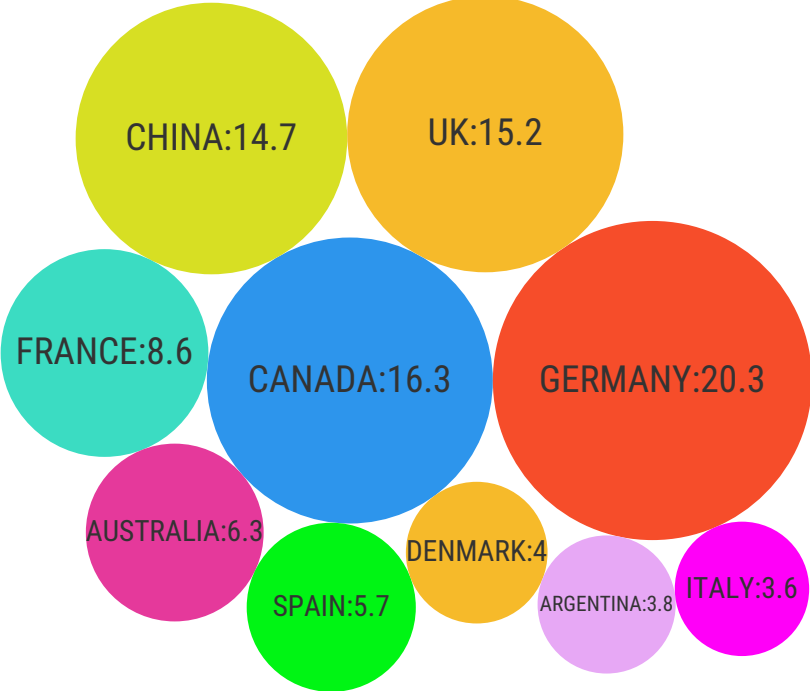
TOP ORIGINATING COUNTRIES BY SPEND AMOUNT (\$M)



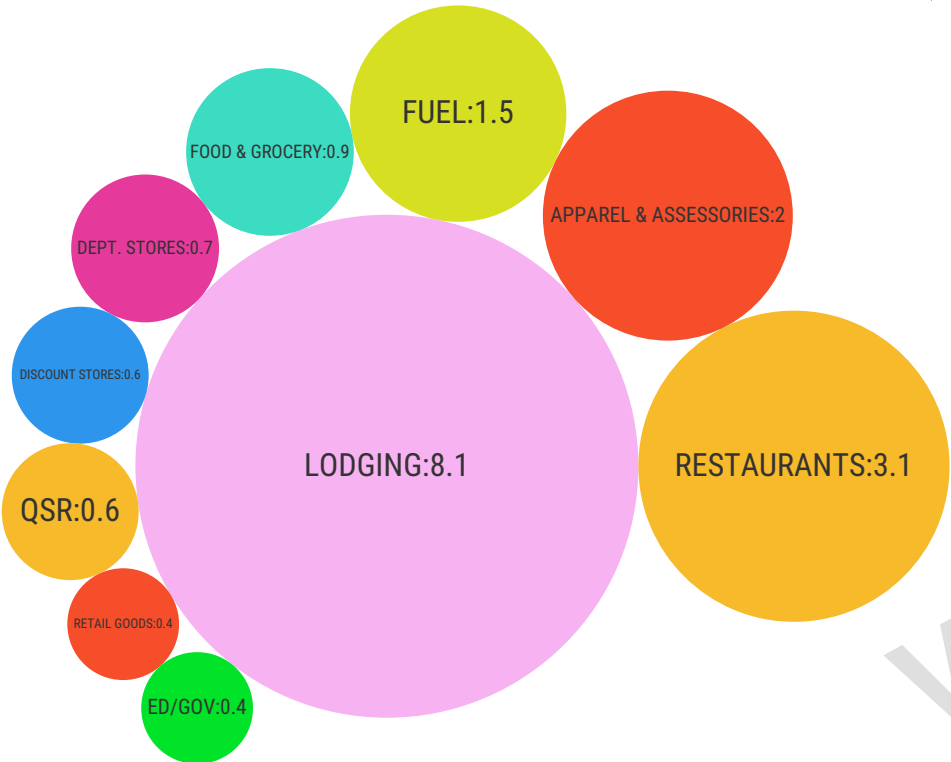
Top Cardholder Countries Y/Y Growth



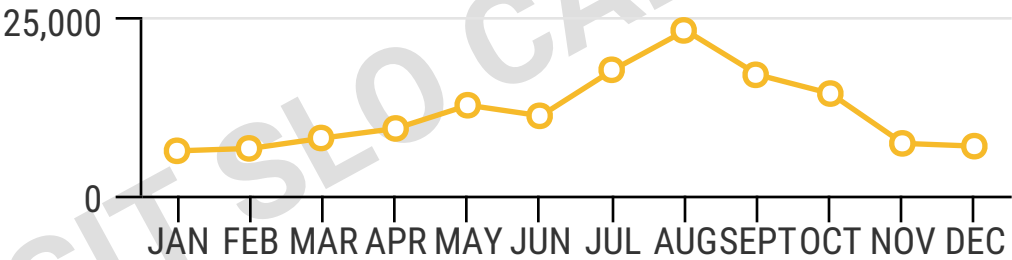
TOP ORIGINATING COUNTRIES BY CARDHOLDER COUNT (1000's)



TOP MARKET SEGMENTS BY SPEND AMT (\$M)



Cardholder Count Trend



ExecutiveOverview:

SEO Overview	
Organic Traffic Overview:	
Sessions decreased by 1%. Avg. session duration improved by 29%, and pages/session decreased by 20%. The top organic landing pages this month were: home page, Events and Festivals, Calendar of Events, Live Music & Concerts, Annual Morro Bay Citywide Yard Sale 15 Free Things to Do, Things to Do, Explore, Nipomo	
Total Traffic Overview:	
Sessions decreased by 33% (-38613 sessions). Top Gains/Losses by Channel: Paid: +62% (8,421), Other: +107% (6,023), Social: -89% (-38,803) Top Loss by Category: Home Page -45% (-20,102)	
SEO Snapshot:	
YoY Organic Landing Page Traffic Comparison - Top Areas	
Listing Pages saw a -66.60% difference in Sessions (-3793 Sessions) Events Pages saw a 39.71% difference in Sessions (2807 Sessions) Things to Do (Activities) saw a 37.05% difference in Sessions (741 Sessions) Blog Pages saw a -36.0 % difference in Sessions (-1309 Sessions) The Home Page saw a 59.30 % difference in Sessions (1803 Sessions) Explore Pages saw -20.2 % difference in Sessions (-935 Sessions)	
SEO Recommendation:	
Create a direct link from the Attractions area in the navigation to the Hearst Castle (135,000 AMS) evergreen page. Restructure that page with a jump list to each section and H2 titles for each section, sections could cover the location, history, things to do near there hotels near there. Add internal links to pages in the sections where applicable.	

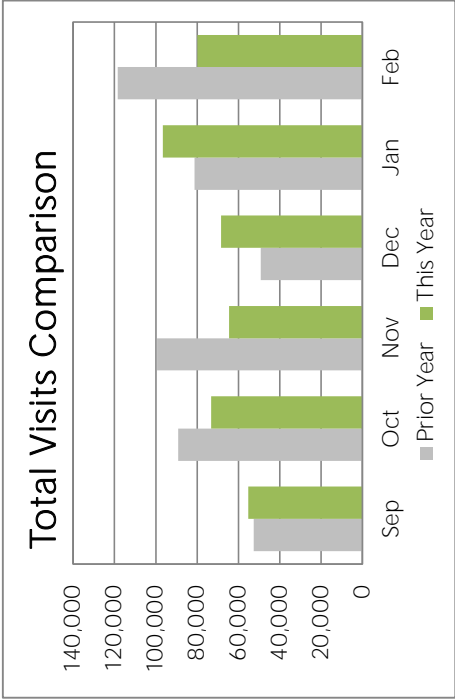
IndustryAverages:

Engagement Metrics	Industry Average	Your Website	% Difference
Total Pages Per Session:	2.12	1.69	-25.36%
Total Average Session Duration:	0:01:58	0:02:24	17.79%
Total Bounce Rate:	50.60%	25.96%	-94.94%
Organic Pages Per Session:	2.19	2.15	-1.80%
Organic Average Session Duration:	0:02:07	0:03:35	40.88%
Organic Bounce Rate:	46.59%	12.78%	-264.58%



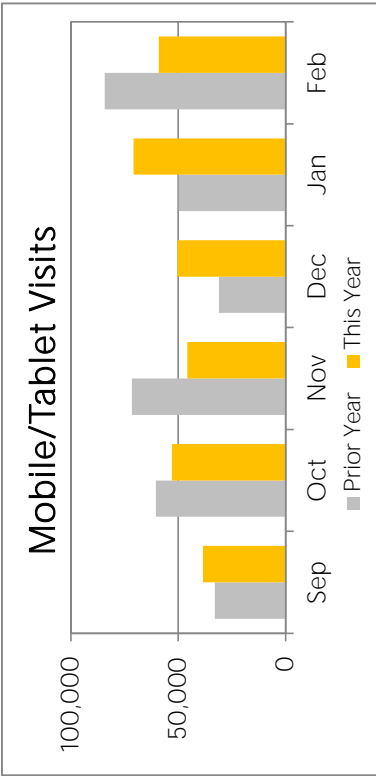
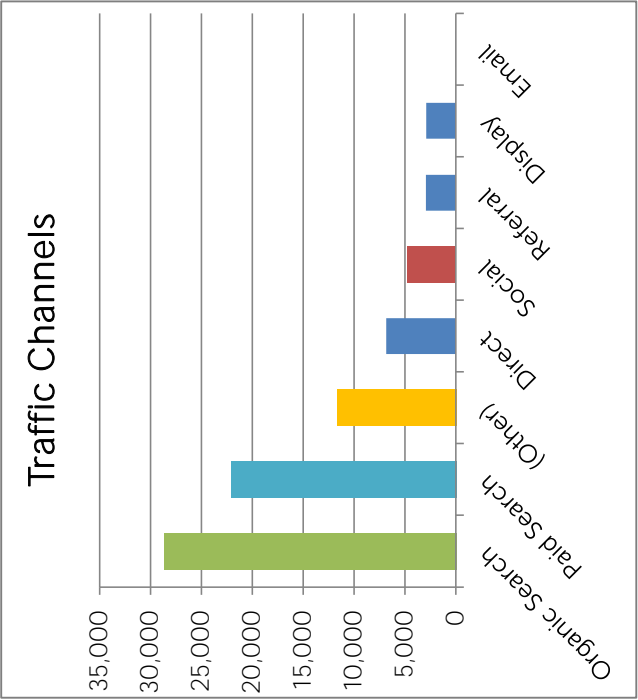
Total Traffic Overview:

	Sep	Oct	Nov	Dec	Jan	Feb
Sessions:	55,258	73,266	64,485	68,468	96,653	79,856
Users:	44,998	58,915	52,719	56,225	75,599	67,366
Bounce Rate:	21%	27%	15%	13%	16%	26%
Pageviews:	114,473	137,885	136,012	154,119	295,055	135,050
Avg Pageviews Per Visit:	2.07	1.88	2.11	2.25	3.05	1.69
Avg. Session Duration:	0:02:57	0:02:35	0:02:42	0:02:45	0:03:20	0:02:24
Total Organic Search Traffic:	30,913	32,590	32,594	36,264	42,137	28,680
% of Traffic Organic Search:	56%	44%	51%	53%	44%	36%
Entry Pages From Search:	1,772	1,760	1,703	1,675	1,746	1,712



Mobile/Tablet Snapshot:

	Sep	Oct	Nov	Dec	Jan	Feb
Sessions:	38,574	52,974	45,856	50,501	70,874	59,045
% of Sessions:	70%	72%	71%	74%	73%	74%
Bounce Rate:	24%	31%	14%	13%	17%	27%
Pageviews:	64,301	79,413	85,494	101,530	188,753	85,403
Avg. Session Duration:	0:02:27	0:02:07	0:02:18	0:02:22	0:02:49	0:02:00





Organic Search Traffic:

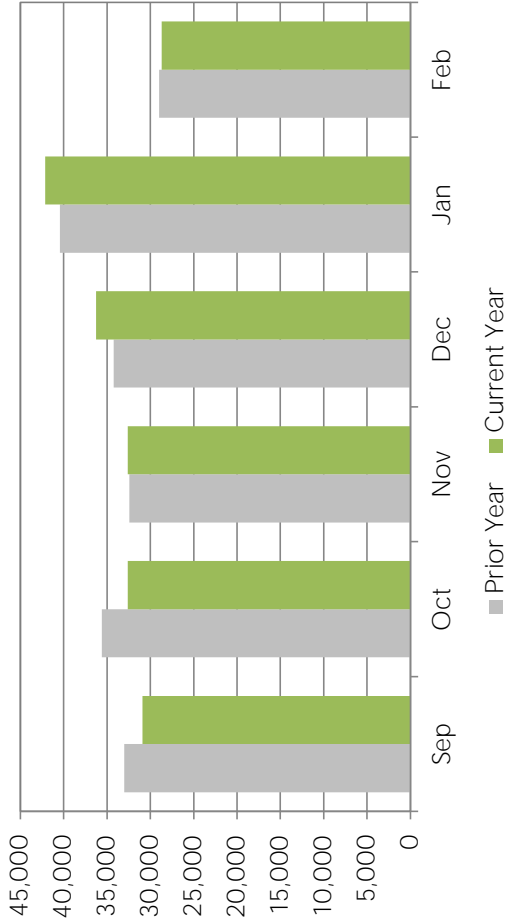
Organic Traffic			% of Total Site Traffic
Sessions	28,680		35.91%

Organic Engagement Compared to Site Engagement			
Pages / Session	2.15		27.21%
Avg. Session Duration	0:03:35		49.67%
New Sessions	69.16%		-12.79%
Bounce Rate	12.78%		-50.77%

Search Engine	Visits	Percent
google	27,900	97.28%
yahoo	346	1.21%
bing	332	1.16%
duckduckgo	74	0.26%
ask	22	0.08%
so.com	3	0.01%

Top 10 Links to Site	Links	Pages
visitcalifornia.com	38,910	28
destinationpasorobles.com	16,353	2
visitsanluisobispocty.com	12,289	269
reside.org	11,566	1
pasowine.com	8,675	2
coterealtors.com	7,153	1
centralcoastrealestatphotography.com	6,192	4
centralcoast-tourism.com	5,884	23
thecrcg.com	5,480	3
digitalinteractive.us	4,237	2

Organic Visits Comparison



Landing Page	Visits	Percent
/	4,843	16.89%
/events-and-festivals/	2,990	10.43%
/events-and-festivals/events-calendar/	935	3.26%
/events-and-festivals/live-music-concerts/	620	2.16%
/event/annual-morro-bay-citywide-yard-sale-2019/1331/	562	1.96%
/blog/post/insider-tips-15-free-things-to-do-in-slo-cal/	512	1.79%
/things-to-do/	494	1.72%
/explore/	393	1.37%
/explore/nipomo/	373	1.30%
/event/slo-comedy-festival/4725/	319	1.11%

External Links

Top 10 URLs	Total Clicks
www.SLOCAL.com/Restaurant-Month	502
www.slocal.com/restaurant-month	492
www.labelasera.com	259
www.visitatascadero.com/events/index.php?id=154	252
www.facebook.com/events/145596949556861/	240
www.fishgaucho.com	184
www.morrobay.org	172
www.madonnainn.com/events-calendar/	171
www.bluemoonoveravila.com	156
www.granadahotelandbistro.com/#bistro	153

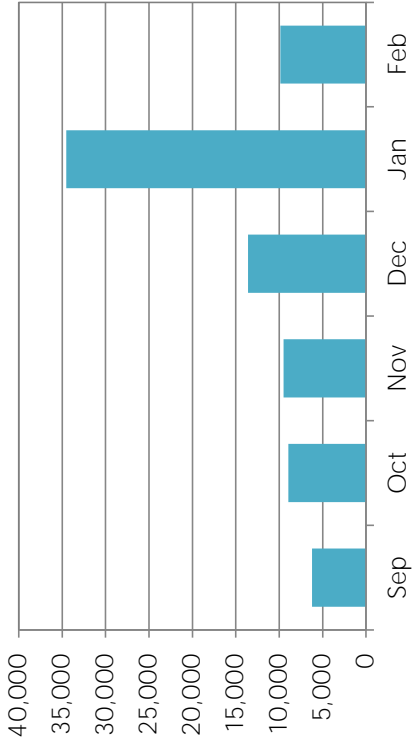
Listings: Link to Website

Top 10 Websites	Total Clicks
Swinging Bridge	49
Mission San Luis Obispo de Tolosa	47
Nitt Witt Ridge	45
Apple Farm Restaurant	40
Sunbuggy Fun Rentals	40
Sycamore Mineral Springs Resort & Sp	38
The Fremont Theater	38
Central Coast Trailrides	35
Apple Farm	34
Mint + Craft	34

Listings: Link to Detail

Top 10 Listings	Total Clicks
Swinging Bridge	77
Nitt Witt Ridge	71
California Highway 1 Discovery Route	49
Avila Beach Horseback Riding	43
El Moro Elfin Forest	40
Bishop Peak	37
Ragged Point Beach	36
Morro Bay State Park	35
Margarita Adventures	31
Mission San Luis Obispo de Tolosa	31

External Links Total Clicks

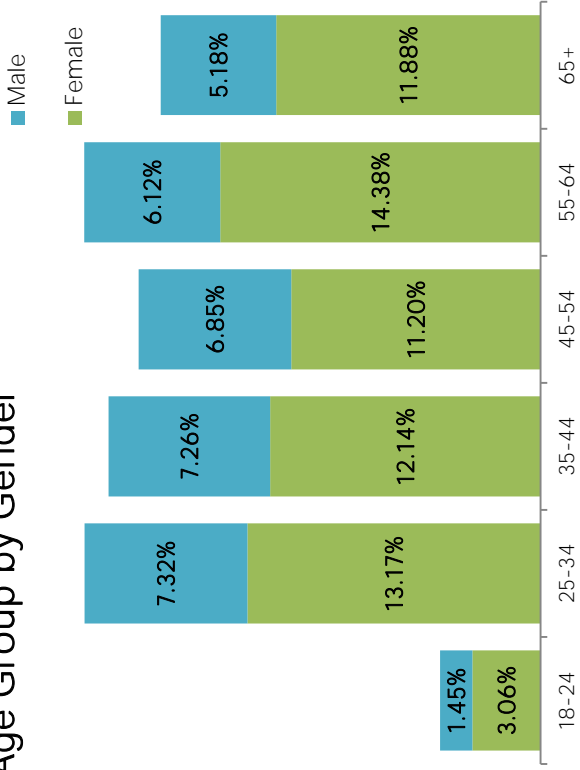


Demographics & Interests

Affinity Categories:

Top 10 Affinity Categories	Visits
Shoppers/Value Shoppers	20,737
Food & Dining/Cooking Enthusiasts/30 Minute Chefs	20,511
Lifestyles & Hobbies/Pet Lovers	18,382
Travel/Travel Buffs	16,621
News & Politics/Avid News Readers	16,507
Lifestyles & Hobbies/Art & Theater Aficionados	16,063
Media & Entertainment/Book Lovers	16,023
Lifestyles & Hobbies/Family-Focused	15,203
Lifestyles & Hobbies/Business Professionals	14,613
Sports & Fitness/Health & Fitness Buffs	14,608

Age Group by Gender



Other Categories:

Top 10 Categories	Visits
Arts & Entertainment/Celebrities & Entertainment News	13,229
News/Weather	7,041
Food & Drink/Cooking & Recipes	6,267
Sports/Team Sports/American Football	4,961
Arts & Entertainment/TV & Video/Online Video	4,729
Travel/Air Travel	4,132
News/Politics	3,844
Online Communities/Social Networks	3,476
Pets & Animals/Pets/Dogs	3,132
News/Sports News	3,102

Affinity Categories broaden the scope to identify users in terms of lifestyle: for example, Technophiles, Sports Fans, and Cooking Enthusiasts. These categories are defined in a similar way to TV audiences, and represent an opportunity to understand the behavior of your audience.

Other Categories are used to classify groups of users based on the specific content they consume, along with how recently and frequently they consume that content. This category data provides a more focused view of your users, and lets you analyze behavior more narrowly than Affinity Categories.

* Per Google

Top Content:

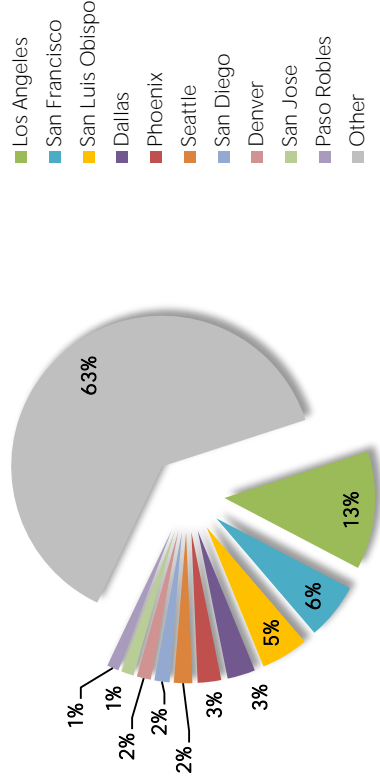
Top Landing Pages	Entrances
/	24,476
/dfw/	4,391
(not set)	3,858
/events-and-festivals/	3,497
/blog/post/iconic-eats-every-visitor-should-try/	1,846
international-film-fest/	1,481
/plan/visitors-magazine/	1,363
/events-and-festivals/events-calendar/	1,105
/road-trip/	1,082
/blog/post/learn-the-lingo/	1,081

Top Content Pages	Pageviews
/	28,370
/events-and-festivals/	5,553
/dfw/	4,754
/events-and-festivals/events-calendar/	2,991
/things-to-do/	2,487
/plan/visitors-magazine/	2,386
/blog/post/iconic-eats-every-visitor-should-try/	2,252
/stay/	1,849
international-film-fest/	1,652
/explore/	1,542

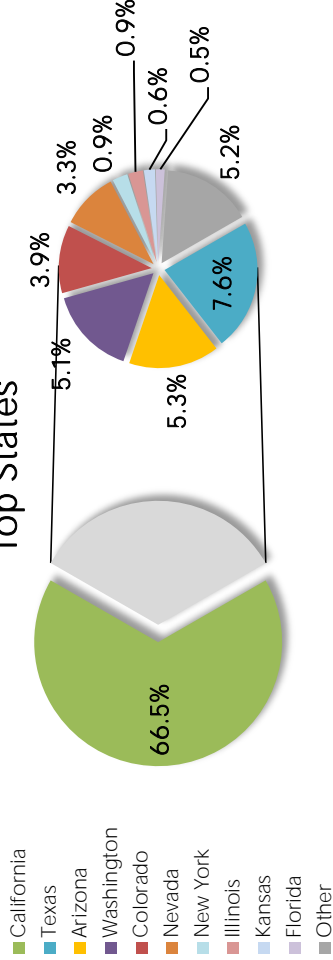
Top Exit Pages	Exits
/	20,116
/dfw/	4,267
/events-and-festivals/	2,187
/blog/post/iconic-eats-every-visitor-should-try/	1,717
/blog/post/5-things-you-didnt-know-about-the-slo-international-film-fest/	1,441
/plan/visitors-magazine/	1,292
/events-and-festivals/events-calendar/	1,221
/blog/post/learn-the-lingo/	1,079
/road-trip/	1,044
/things-to-do/	962

Geographic:

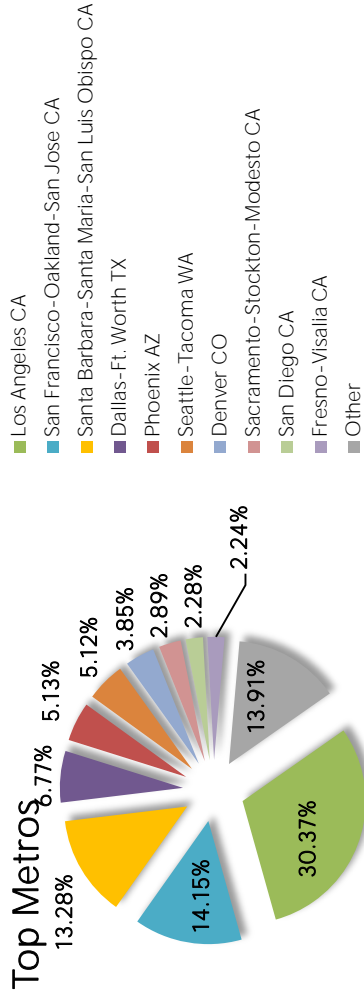
Top Cities



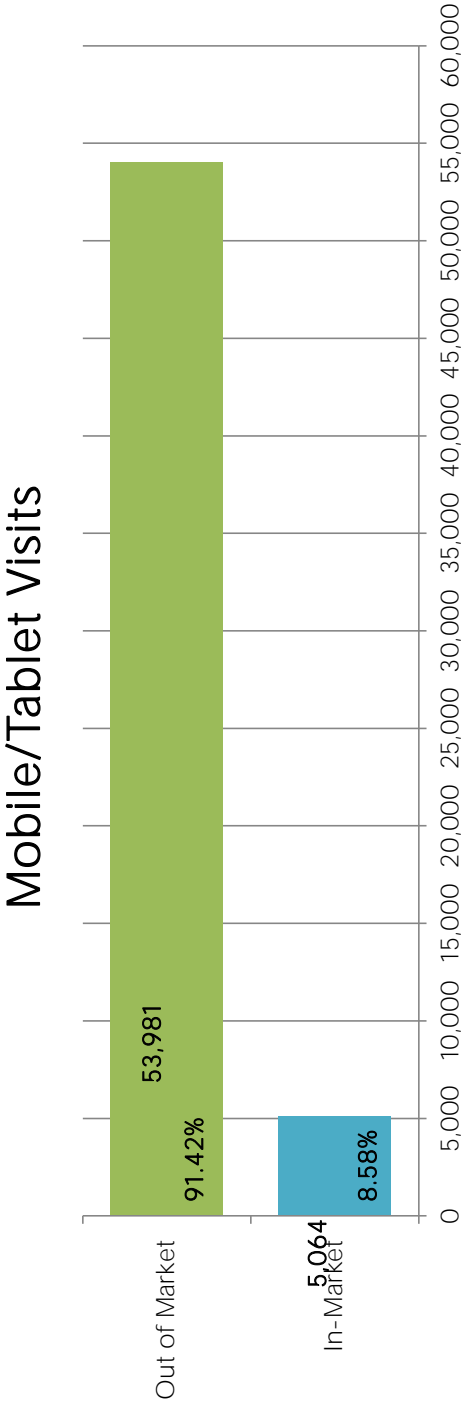
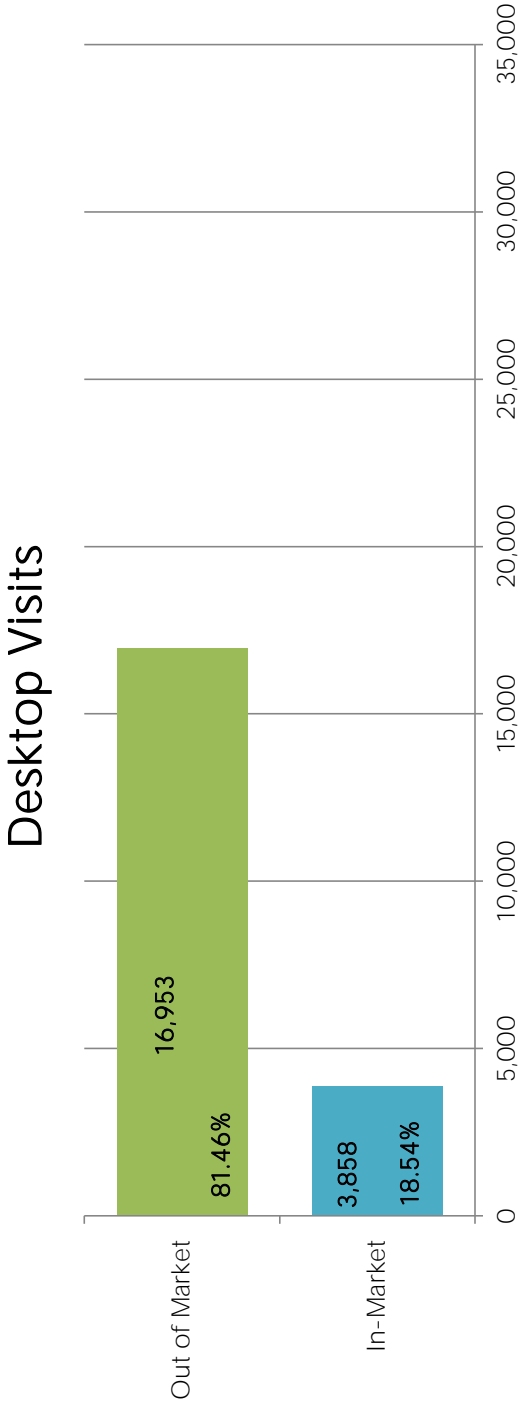
Top States



Top Metros



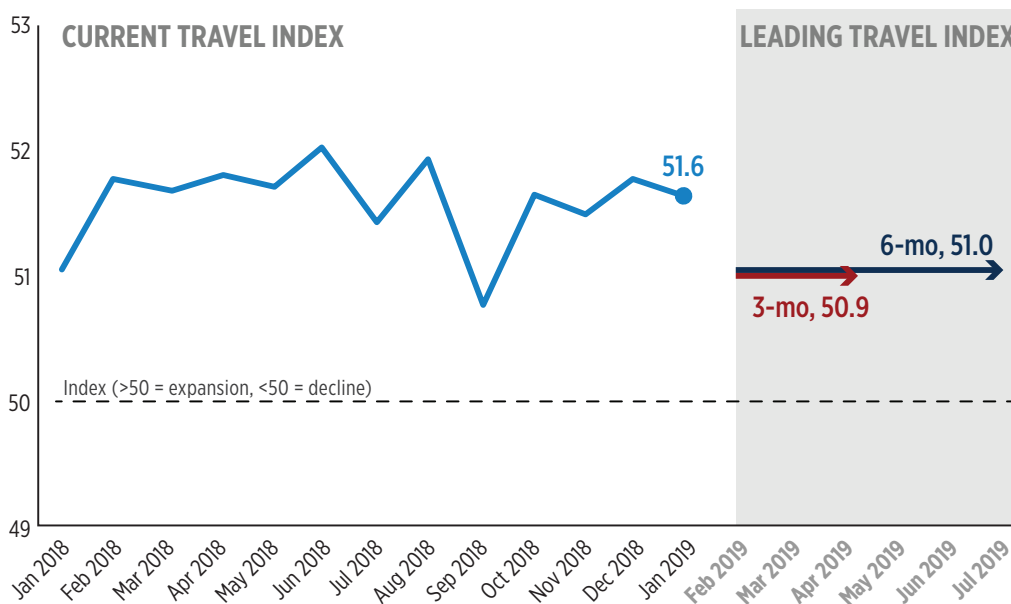
In-MarketVsVisitor:



JANUARY TRAVEL TRENDS INDEX

The Travel Trends Index measures the direction and pace of travel volume to and within the U.S. on a monthly basis. The index includes a Current Travel Index (CTI) and a Leading Travel Index (LTI). Both the CTI and the LTI include subcomponents (domestic, international, leisure and business).

Analysis provided by
 OXFORD
ECONOMICS



SOURCE: Oxford Economics, U.S. Travel Association

CTI reading of **51.6** in **January 2019** indicates that travel to or within the U.S. grew **3.2%** in **January 2019** compared to January 2018.

LTI predicts travel growth will continue to moderate through July 2019, a result of softer growth across all travel segments.

Overall travel volume (person trips to or within the United States involving a hotel stay or air travel) grew at a slightly slower year-over-year rate in January 2019 than in December 2018. International inbound and domestic travel both experienced firm growth; domestic demand was supported by both the business and leisure segments.

HIGHLIGHTS:

* For CTI and LTI definitions, please see below.

- The Current Travel Index (CTI) has registered at or above the 50 mark for 109 straight months, as the industry enters its tenth consecutive year of expansion.
- The CTI was positive in January, registering 51.6 (indicating 3.2% percent y/y growth). This is approximately equal to the 6-month moving average (51.5).
- International inbound grew 3.2% in January, the ninth consecutive monthly rise. Nevertheless, the Leading Travel Index (LTI) continues to project that inbound travel growth will decelerate over the next six months.
- Domestic leisure travel ticked up again in January, expanding 3.4%, while the business segment grew 2.8%. Each segment increased slightly faster than its respective 6-month moving average.
- The 6-month LTI reading of 51.0 indicates that total U.S. travel volume is expected to grow at a rate of around 2.0% through July 2019. Over the same period, domestic and international inbound travel growth are both expected to converge toward 2.0%, with the potential for international inbound to settle slightly above that rate.

The Oxford/U.S. Travel **Current Travel Index (CTI)** measures the direction and pace of travel volume to and within the U.S. on a monthly basis compared to the same month in the prior year. The index is comprised of a weighting of hotel room demand and air passenger enplanements that represents the overall volume of travelers each month. A score above 50 indicates expansion. A score below 50 indicates decline.

The Oxford/U.S. Travel **Leading Travel Index (LTI)** is an indicator of the future direction and pace of travel volume to and within the U.S. over the coming three and six months compared to the same period in the prior year. The LTIs represent average readings over the next three and six months. The LTI econometric model is based on data sets that have demonstrated to predict near-term future travel: online travel searches and bookings for future travel, consumer travel intentions data, and economic fundamentals. A score above 50 indicates expansion. A score below 50 indicates decline.

JANUARY TRAVEL TRENDS INDEX (CONT.)

	CTI	3-MONTH LTI*	6-MONTH LTI**
DECEMBER INDEX	51.8	51.2	51.2
JANUARY INDEX	51.6	50.9	51.0
DIRECTION AND SPEED	Travel demand increased; at a slightly slower rate than the previous month	Travel is expected to grow over the coming 3 months; at a slower rate	Travel is expected to grow over the coming 6 months; at a slower rate

* Average outlook reading for Feb 2019 to Apr 2019
 ** Average outlook reading for Feb 2019 to Jul 2019



The story remains the same for all travel segments in January: all segments reported growth slightly above the previous 6-month average, and all are expected to grow at a slower rate of around 2% in the medium term.

DAVID HUETHER
 Senior Vice President, Research

DETAILED RESULTS:

Domestic travel demand increased 3.2% in January compared to January 2018. Both the business and leisure segments showed firm growth above each segment's respective 6-month trend. The leisure segment (3.4%) outperformed the business segment (2.8%), but by a narrowing margin compared to recent months. Vacation intentions remain elevated despite softening consumer confidence and business investment, likely in response to the 35-day partial government shutdown that ended January 25th, 2019.

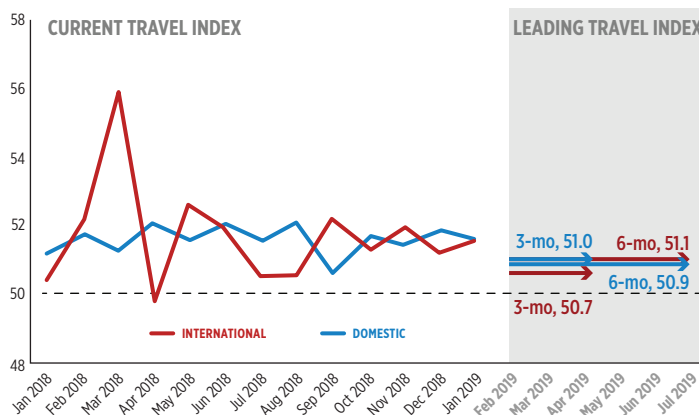
International inbound travel expanded 3.2% in January, faster than its six-month moving average (2.8%). Looking ahead, indicators of global growth and trade activity have cooled and are expected to remain softer through the first half of 2019, supporting expectations of weaker international demand growth.

	CURRENT TRAVEL INDEX (CTI)				LEADING TRAVEL INDEX (LTI)		6-MO LTI VS. CTI 6-MO AVG.	
	6-MONTH AVG	NOVEMBER	DECEMBER	JANUARY	3-MONTH*	6-MONTH**	DIRECTION	SPEED
TOTAL MARKET	51.5	51.5	51.8	51.6	50.9	51.0	Increasing	Slower
INTERNATIONAL	51.4	51.9	51.2	51.6	50.7	51.1	Increasing	Slower
DOMESTIC	51.5	51.5	51.8	51.6	51.0	50.9	Increasing	Slower
BUSINESS	51.3	51.0	51.3	51.4	51.0	50.8	Increasing	Slower
LEISURE	51.6	51.6	52.0	51.7	50.9	51.0	Increasing	Slower

* Average outlook reading for Feb 2019 to Apr 2019
 ** Average outlook reading for Feb 2019 to Jul 2019

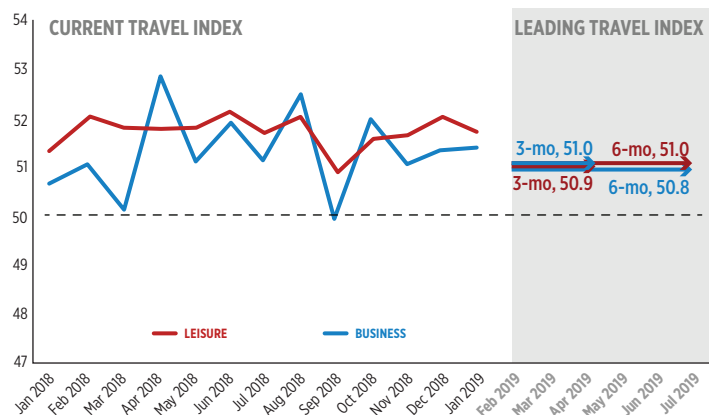
JANUARY DOMESTIC AND INTERNATIONAL TRAVEL INDEX

Index (>50 = expansion, <50 = decline)



JANUARY DOMESTIC BUSINESS AND LEISURE TRAVEL INDEX

Index (>50 = expansion, <50 = decline)

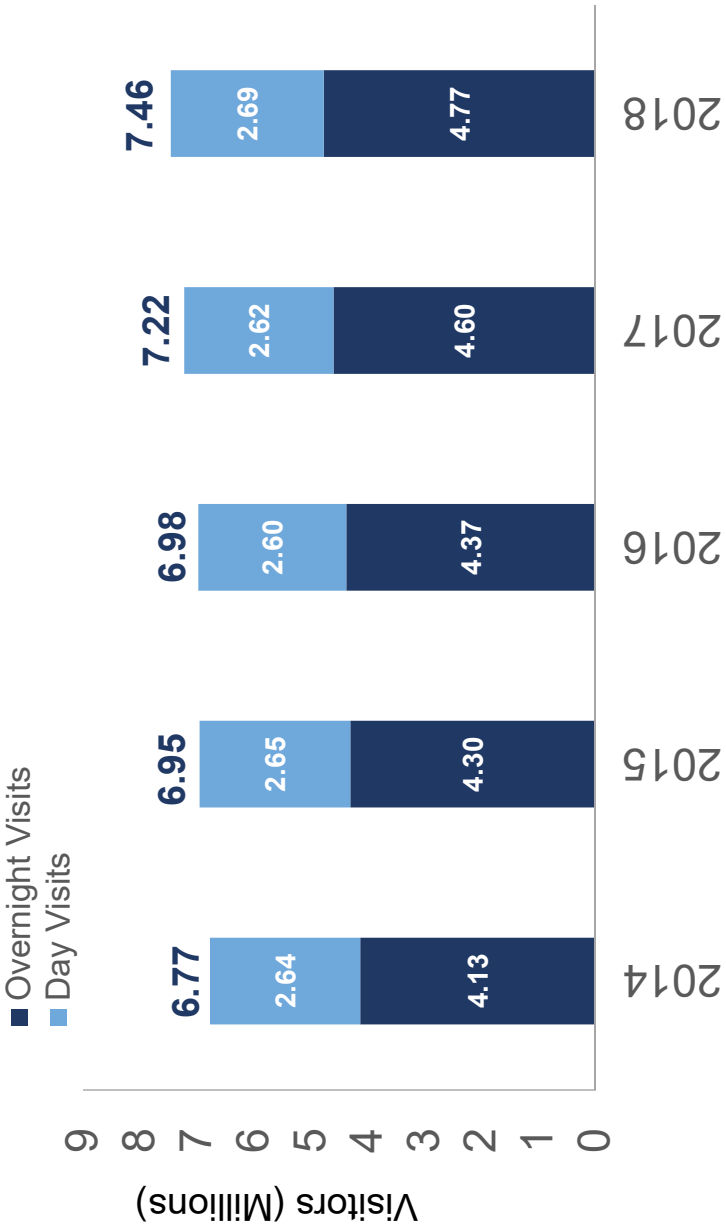


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**SLO CAL hosted 7.46 million
visitors in 2018**

SLO CAL - Annual visits (2014-2018)



Source: Tourism Economics