



AGENDA

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Agenda

Thursday, November 15, 2018

8:30 am

Courtyard by Marriott, San Luis Obispo
1605 Calle Joaquin, San Luis Obispo, CA 93405

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

ANNOUNCEMENTS	C. Davison
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3. Presentation of Honorary Appreciation for Val Seymour's Board Service

CONSENT AGENDA - <i>motion required</i>	C. Davison
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4. Approval of September 19, 2018 Board Meeting Minutes (*yellow*)
5. Approval of September Financials (*green*)
6. Ratification of Mark Roemer as Pismo Beach's Appointed Board Member
Staff will ask for Board approval of the September 19, 2018 Board Meeting Minutes, the September Financials and the ratification of the appointment of Mark Roemer to the Board.

BUSINESS ITEMS	C. Davison
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7. B&B Seat (10 min) – *motion required*
Staff will request Board approval of Alma Ayon's application for the open B&B seat on the Board, as recommended by the Executive Committee.
8. IPW Sponsorship (10 min) – *motion required*
Staff will request Board approval to allocate funds to the sponsorship of IPW 2019 in Anaheim.
9. Destination Management Strategy Update (10 min)
Staff will provide an update on progress to-date of VSC's Destination Management Strategy and outline next steps.
10. TMD Management District Plan (80 min) – *motion required*
Staff will review the draft Tourism Marketing District Management District Plan with the Board and request feedback and approval, 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.



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, September 19, 2018

8:30am

Inn at Morro Bay

60 State Park Rd, Morro Bay, CA 93442

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Kathy Bonelli, Aaron Graves, Jim Hamilton, Jay Jamison, Sarah Maggelet, Sam Miller, Hemant Patel, Nipool Patel, Amar Sohi

ABSENT: Mark Eads, Clint Pearce

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

Call to Order at 8:35 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

3. Presentation of Honorary Appreciation for Lori Keller's Board Service

Davison presented an award to Lori Keller and thanked her for her service to the VSC Board.

Davison announced the launch of the FY17/18 Year-End Satisfaction Survey, noting that the Board and Marketing Committee received separate links. He also noted that the email included verbiage that could be copied and pasted into an email to share with fellow lodging investors and tourism-related partners.

Cava Robles, a new RV resort in Paso Robles is hosting a VIP Ribbon Cutting and Reception on Tuesday, September 25, 2018 at 4:30-6:00pm. RSVP to cavarobles@suncommunities.com.

CONSENT AGENDA

4. Approval of July 18, 2018 Board Meeting Minutes
5. Approval of June/FY2017-18 Year-End Financials
6. Approval of July & August Financials
7. Ratification of Hemant Patel as Morro Bay's Appointed Board Member
8. Approval of FY2017-18 Annual Report

Davison introduced Visit SLO CAL's newest Board member, Hemant Patel. He noted that Val Seymour, the former appointed Morro Bay Board member has provided her letter of resignation, and clarified that this agenda item ratifies Morro Bay's decision to appoint Patel to the seat.

Public Comment – None.

Board Discussion.

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

**Motion carried: 9:0:1
H. Patel abstained.**

CEO REPORT

9. CEO Report

Davison reviewed the June/Year-End and July TOT Reports, as well as the July 2017 and 2018 Travel Trends Indexes from U.S. Travel. Davison noted that Visit SLO CAL's (VSC) \$250k line of credit renewal has been processed. He reminded the Board that this is maintained in case of an emergency or disaster, and noted that its next maturity date will be October of 2019. Visit California is scheduled to begin production soon on its new family television spot, and for the third consecutive year, SLO CAL is scheduled to be included, along with only a handful of other destinations. This ad is expected to run in six countries, and our inclusion speaks to the value and need for our continued partnership with Visit California. VSC's VP of Community Engagement & Advocacy, Christine Robertson, has been asked to join the California Influencers Program, sponsored by the Sacramento Bee and the McClatchy Washington, D.C. Bureau. As part of this program, Robertson will provide brief comments on issues to watch in the upcoming election, and will be the only influencer representing the tourism industry and the Central Coast. At the August 17, 2018 City Manager Meeting, VSC provided an update on key initiatives. Davison outlined the city managers' feedback on the TMD renewal. Davison also reported out on other recent local meetings. He reminded the Board that appointed VSC Board Members should be proactively reporting out to their communities on a monthly basis. He outlined his travel schedule for the months ahead. Since the November Board meeting falls the day before Thanksgiving, November 21, 2018, Davison asked the Board if they would like to move the date.

Public Comment – None.

Board Discussion. The Board agreed that November 15, 2018 would be the best date to reschedule the November meeting. Davison noted that VSC would send an updated invite.

BUSINESS ITEMS

10. FY2017-18 Audit

For the third year in a row, VSC received a clean audit from Burkart & Stevens. The Management Advisory Comments received were expected. With regards to "Segregation of Accounting Duties," they recommended that another individual open the checks received via mail and make a listing prior to processing. They also pointed out the "concentration risk" of having one bank exceed the \$250k FDIC insured limits—an issue we have mitigated by investing reserve funds in other banks; however, monthly assessment contributions often exceed \$250k, so without moving funds to multiple banks the ability to fully mitigate is limited. VSC will continue to monitor the concentration and use best efforts to strategically place the funds into action quickly. The Executive Committee approved the audit at their September 6, 2018 meeting. Once approved by the Board, the staff will forward the audit to the County to meet their September 28 submittal deadline, and Burkart & Stevens will file the annual tax return.

Public Comment – None.

Board Discussion.

ACTION: Moved by Graves/Hamilton to approve the FY2017/18 Audit presented by Burkart & Stevens and file with the County as recommended by the Executive Committee.

11. B&B Seat

Davison announced that this item would be tabled as the only applicant to the seat, Alma Ayon, was out sick, and the Board should have the opportunity to meet her before making a decision.

Public Comment – None.

Board Discussion.

12. Destination Management Strategy Update

Robertson provided a progress update on the Destination Management Strategy (DMS), noting that all reports referenced are available to view on the website at <http://SLOCAL.com/DMS>. The Community Survey, Stage 6 of the DMS, generated more than 5000 responses—the most ever received by Resonance Consultancy, and was promoted by Assemblyman Cunningham, Supervisors, Mayors, City Managers, Chambers of Commerce, TBIDs, Cal Poly, and through local news outlets. The next Steering Committee Meeting, on September 20, 2018, will include a review of current data collection to-date, and will be an opportunity to gain topline feedback from the group. The Steering Committee will also review next steps and direction. Robertson outlined the upcoming stages of the DMS process. She said that, as VSC and Resonance move toward recommendations, she will be sitting down with every TBID manager and chamber CEO to seek their input and partnership in the next phase of engagement.

Public Comment – None.

Board Discussion.

13. TMD Renewal Update

Davison met with TMD attorney John Lambeth on August 24, 2018 in advance of a meeting with the County Administration on August 29 to determine County requirements and the process for renewal. VSC has received and reviewed the Civitas contract. Davison reviewed some of the proposed changes to the Management District Plan (MDP), including some administrative changes; changes to the Marketing Committee size and the introduction of staggered 3-year terms; and some changes to the composition of the Board. VSC is recommending increasing the number of Board members from 15 to 19, adding at-large seats for regional strategic partners while maintaining a lodging majority. VSC would also like to require all lodging Board members to be the owner or general manager of an assessed lodging business. Davison noted that VSC will also need to consider how it will plan and account for the cost of additional work, including international marketing, PR and travel trade efforts, further air service development, implementation of DMS recommendations, and meeting and conference facility growth and marketing. Davison reviewed the scope of Civitas' contract, which calls for the completion of the Tourism Marketing District (TMD) renewal process in 10 months, at a cost of \$57,000. Davison also outlined the next steps in the TMD renewal process and noted a formal plan would come back to the Board in November after being reviewed at the October and November Executive Committee meetings.

Public Comment – None.

Board Discussion. N. Patel and Bonelli expressed their opposition to adding non-lodging seats to the VSC Board. Maggelet suggested including representatives from restaurants, wineries, Cuesta College and nonprofits that support the arts. Bonelli noted it could be tenuous to have a large Board and recommended that those representatives speak during Public Comment. Davison noted that business leaders would likely not turn out for Public Comment. Jamison shared the Executive Committee's thinking on this item and why they were in support of it. Arnold noted he was also on the fence with adding non-lodging seats.

ACTION: Moved by Graves/N. Patel to allow the President & CEO to enter into contract negotiations with Civitas to manage the legal process for the renewal of the Tourism Marketing District.

14. FY2018-19 Media Plan

Davison reminded the Board that they approved the initial media plan back in May, but after the Board approved the transition to Miles Partnership as VSC's media agency, Miles recommended a different approach. Burnham reviewed the proposed media plan, including the spend, targets, media channels, tactics and creative mix.

Public Comment – None.

Board Discussion.

ACTION: Moved by N. Patel/Jamison to approve the FY 2018/19 Updated Media Plan.

Motion carried: 10:0

15. Marketing Update

Davison provided an update on travel trade efforts, and Burnham reported out on earned, owned and paid media efforts. Burnham noted that VSC was a finalist for Best Digital Campaign at the 2018 ESTO Awards in August.

Public Comment – None.

Board Discussion.

ADJOURNMENT

Meeting adjourned at 10:06am.

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

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	\$ -	\$ 18,000	\$ (18,000)	0.00%	0.00%	\$ 181,694	\$ 129,000	\$ 52,694	140.85%	12.06%
Other Revenue	\$ 625	\$ 850	\$ (225)	73.58%	0.15%	\$ 1,254	\$ 2,550	\$ (1,296)	49.16%	0.08%
TBID Income:										
SLO County Unincorporated	\$ 91,946	\$ 91,946	\$ -	100.00%	22.57%	\$ 295,579	\$ 295,579	\$ -	100.00%	19.62%
SLO City	\$ 65,411	\$ 65,411	\$ -	100.00%	16.06%	\$ 225,025	\$ 225,025	\$ -	100.00%	14.93%
Pismo Beach	\$ 90,789	\$ 90,789	\$ -	100.00%	22.29%	\$ 344,935	\$ 344,935	\$ -	100.00%	22.89%
Morro Bay	\$ 32,616	\$ 32,616	\$ -	100.00%	8.01%	\$ 117,766	\$ 117,766	\$ -	100.00%	7.82%
Paso Robles	\$ 42,980	\$ 42,980	\$ -	100.00%	10.55%	\$ 145,918	\$ 145,918	\$ -	100.00%	9.68%
Arroyo Grande	\$ 10,725	\$ 10,725	\$ -	100.00%	2.63%	\$ 30,430	\$ 30,430	\$ -	100.00%	2.02%
Atascadero (quarterly)	\$ 41,509	\$ 41,509	\$ -	0.00%	10.19%	\$ 41,509	\$ 41,509	\$ -	100.00%	2.75%
Grover	\$ 1,032	\$ 1,032	\$ -	100.00%	0.25%	\$ 10,842	\$ 10,842	\$ -	100.00%	0.72%
Adjustment for Actual TBID Collected	\$ 29,298	\$ 118,014	\$ (88,715)	24.83%	7.19%	\$ 108,737	\$ 118,014	\$ (9,277)	92.14%	7.22%
Interest Income	\$ 467	\$ -	\$ -	0.11%	0.11%	\$ 3,026	\$ -	\$ -	-	0.20%
Total Income	\$ 407,399	\$ 513,873	\$ (106,940)	79.28%	100.00%	\$ 1,506,715	\$ 1,461,568	\$ 42,121	103.09%	100.00%
Expenses										
Contingency Reserve	\$ 20,347	\$ 25,694	\$ (5,347)	79.19%	7.49%	\$ 75,184	\$ 73,078	\$ 2,106	102.88%	9.44%
G&A	\$ 25,510	\$ 25,430	\$ 79	100.31%	9.39%	\$ 62,785	\$ 68,060	\$ (5,275)	92.25%	7.88%
Industry Research and Resources	\$ 79,914	\$ 76,693	\$ 3,221	104.20%	29.42%	\$ 188,135	\$ 196,066	\$ (7,932)	95.95%	23.61%
Travel Trade	\$ 18,266	\$ 28,005	\$ (9,739)	65.22%	6.72%	\$ 59,120	\$ 69,837	\$ (10,717)	84.65%	7.42%
Communications	\$ 16,112	\$ 26,875	\$ (10,764)	59.95%	5.93%	\$ 85,059	\$ 86,876	\$ (1,817)	97.91%	10.68%
Advertising	\$ 81,921	\$ 111,243	\$ (29,322)	73.64%	30.16%	\$ 224,559	\$ 277,267	\$ (52,708)	80.99%	28.18%
Promotions	\$ 4,128	\$ 7,840	\$ (3,712)	52.66%	1.52%	\$ 12,556	\$ 18,645	\$ (6,089)	67.34%	1.58%
Events	\$ 63	\$ 44,419	\$ (44,357)	0.14%	0.02%	\$ 4,232	\$ 76,361	\$ (72,129)	5.54%	0.53%
Digital Marketing	\$ 23,858	\$ 25,342	\$ (1,484)	94.14%	8.78%	\$ 79,861	\$ 98,145	\$ (18,284)	81.37%	10.02%
Film Commission	\$ 1,500	\$ 1,810	\$ (310)	82.87%	0.55%	\$ 5,294	\$ 5,968	\$ (674)	88.71%	0.66%
Total Expenses	\$ 271,618	\$ 373,352	\$ (101,734)	72.75%	100.00%	\$ 796,786	\$ 970,304	\$ (173,518)	82.12%	100.00%
Surplus(Deficit)	\$ 135,782	\$ 140,521	\$ (5,206)	96.63%		\$ 709,929	\$ 491,264	\$ 215,639	144.51%	

Cash Flow

Surplus (Deficit)	\$ 135,782	\$ 709,929
Beginning Cash Balance	\$ 1,474,768	\$ 1,214,317
Change in Accounts Receivable	\$ 142,165	\$ (151,502)
Change in Accrued Expenses	\$ 37,951	\$ 64,540
Change in Prepaid Expenses	\$ 56,299	\$ 77,788
Change in Accounts Payable	\$ 21,478	\$ (101,466)
Change in Reserve Contingency	\$ 20,347	\$ 75,184

Ending Cash Balance

\$ 1,888,790	\$ 1,888,790
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Contingency Reserve - 5% of Cumulative Revenue

\$ (641,138)	\$ (641,138)
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Liability on Balance Sheet

Net Available Cash

\$ 1,247,653	\$ 1,247,653
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Comments to the Board:

- \$136k surplus for Sept. (\$5k smaller surplus than budgeted). \$710k surplus year-to-date - projecting a \$59k surplus by Year-end if future months come in at budget
- Income is coming in low for September since majority of excess prior year assessments were recognized in August
- All TMD amounts accrued through July have been collected, with the exception of City of SLO.

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of September 30, 2018

	Sep 30, 18	Sep 30, 17	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Bank of the Sierra - TMD	1,067,443.84	1,099,751.74	-32,307.90	-2.9%
1020 · Bank of the Sierra - Members...	204,120.26	201,609.78	2,510.48	1.3%
1030 · Morgan Stanley - TMD	448,454.07	0.00	448,454.07	100.0%
1040 · Morgan Stanley - Membership	101,072.22	0.00	101,072.22	100.0%
Total Checking/Savings	1,821,090.39	1,301,361.52	519,728.87	39.9%
Accounts Receivable				
1200 · Accounts Receivable	898,287.16	1,127,095.84	-228,808.68	-20.3%
Total Accounts Receivable	898,287.16	1,127,095.84	-228,808.68	-20.3%
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	53,254.05	44,333.96	8,920.09	20.1%
1499 · Undeposited Funds	67,699.97	0.00	67,699.97	100.0%
Total Other Current Assets	125,690.97	48,047.66	77,643.31	161.6%
Total Current Assets	2,845,068.52	2,476,505.02	368,563.50	14.9%
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	3,000,067.11	2,631,503.61	368,563.50	14.0%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	65,398.86	93,037.04	-27,638.18	-29.7%
Total Accounts Payable	65,398.86	93,037.04	-27,638.18	-29.7%
Credit Cards				
2060 · American Express Credit ...	5,825.70	0.00	5,825.70	100.0%
2050 · Rabobank Credit Card	0.00	4,005.08	-4,005.08	-100.0%
Total Credit Cards	5,825.70	4,005.08	1,820.62	45.5%
Other Current Liabilities				
2070 · Accrued Liabilities	93,160.70	0.00	93,160.70	100.0%
2010 · Deferred Revenue	2,055.00	0.00	2,055.00	100.0%
2100 · Payroll Liabilities				

Visit SLO CAL
Balance Sheet Prev Year Comparison
As of September 30, 2018

	Sep 30, 18	Sep 30, 17	\$ Change	% Change
2160 - Health Insurance Withh...	23.63	15.52	8.11	52.3%
Total 2100 - Payroll Liabilities	23.63	15.52	8.11	52.3%
Total Other Current Liabilities	95,239.33	15.52	95,223.81	613,555.5%
Total Current Liabilities	166,463.89	97,057.64	69,406.25	71.5%
Total Liabilities	166,463.89	97,057.64	69,406.25	71.5%
Equity				
3120 - Reserved Earnings	641,137.85	436,770.03	204,367.82	46.8%
3130 - Retained Earnings	1,482,536.79	1,125,416.90	357,119.89	31.7%
Net Income	709,928.58	972,259.04	-262,330.46	-27.0%
Total Equity	2,833,603.22	2,534,445.97	299,157.25	11.8%
TOTAL LIABILITIES & EQUITY	3,000,067.11	2,631,503.61	368,563.50	14.0%



Visit SLO CAL CEO Report November 2018

OPERATIONS:

- **FY2017/18 Year-End Satisfaction Survey**
 - 117 responses received by survey deadline of October 19
 - Survey results attached
- **Fall 2018 Industry Educational Symposium (10/24)**
 - 95 attendees (not including staff and agency partners)
 - Recorded sessions and presentations are available on our website at: <https://bit.ly/2SXUoqD>
- **Hotel & Lodging Industry Owners Advisory Meeting (10/24)**
 - Visit SLO CAL partnered with Congressman Salud Carbajal to convene a Hotel & Lodging Industry Owners Advisory Meeting of property owners across the region who can be a resource as he engages on policy proposals moving through Congress
 - Opportunity to discuss issues impacting travel and tourism, such as workforce immigration, the Open Skies agreement and the Visa Waiver program, as well as other issues Congress will likely take up in the next session
- **SoCal Visitor Industry Outlook Conference**
 - Visit SLO CAL Operations Manager Brendan Pringle attended the annual conference in Long Beach, CA on October 25
 - **2019 SLO CAL Forecast:**
 - **Occ:** 70.6% (5.3% up); **ADR:** \$168.09 (2.6% up); **RevPAR:** \$118.60 (1.9% up)
 - Est. 6% increase in supply
 - Key takeaways, CBRE 2019 Forecast and link to presentations sent via email on November 8
- **TakeOff North America Conference – Memphis, TN**
 - From October 29-30, Visit SLO CAL, along with the SLO County Regional Airport (Kevin Bumen) and Volaire (Jack Penning) held meetings with air service providers including American Airlines, Skywest, United Airlines, Spirit and Contour to attract new air service to SLO CAL
 - More detailed conversations continue with American and Contour
 - Expecting additional service announcements in the months ahead for spring launch
 - Additional service launch would require marketing dollars
- **Central Coast Economic Forecast**
 - Visit SLO CAL was a sponsor and attended on November 1
 - Key takeaways and link to presentations sent via email on November 8



- **Organizational Assessment**

- On November 1, Matthew Landkamer of Coraggio Group delivered the results of our organizational assessment, as part of Visit SLO CAL's SD2020 Imperative to "optimize our organizational capacity"
- Previously, he interviewed each team member and had them complete an anonymous survey
- Currently working through recommendations with Coraggio to identify next steps

- **FY2017/18 Annual Report Presentation**

- On November 6, Visit SLO CAL presented the FY2017/18 Annual Report to the Board of Supervisors
- The Supervisors applauded our professional output, accountability, the strength of our team and our work to mitigate the impact of the Highway 1 closure

- **President & CEO Meetings of Significance:**

- October 18 – Kathy Bonelli, Paso Robles Vacation Rentals
- October 18 – Sarah Maggelet, Sarah's Suite
- October 18 – Jennifer Porter, PRWCA
- October 19 – SLO County City Managers' Leadership Group Annual Workshop on Regionalism & Team Building
- October 24 – Congressman Carbajal Lodging Owners Meeting
- October 24 – EVC Board Meeting
- November 1 – John Arnold, Holiday Inn Express, Paso Robles
- November 1 – Central Coast Economic Forecast Sponsor Reception
- November 5 – Ashlee Akers, Verdin
- November 5 – Melissa James, SLO Chamber
- November 6 – Board of Supervisors Annual Report Presentation
- November 7 – Mark Roemer, Hilton Garden Inn
- November 8 – Joan & John Solu
- November 8 – Jennifer Little, City of Morro Bay
- November 8 – Hemant Patel, Comfort Inn

MARKETING & COMMUNICATIONS/TRAVEL TRADE/PARTNERSHIP & EVENTS:

- See Marketing Update Attached

CHUCK'S UPCOMING TRAVEL:

- **November 11-13:** CDME Course
- **November 19-21:** Thanksgiving Vacation
- **November 28-30:** CalTravel BOD Meeting
- **January 2-14:** Vacation



VISIT SLO CAL BOARD APPLICATION FORM

NAME OF APPLICANT: *Alma Ayón*
COMPANY: *Sundance Bed & Breakfast*
ADDRESS: *7735 Sundance Trail, Paso Robles, CA 93446*
PHONE: *(805) 226-2888* EMAIL: *info@SundanceBandB.com*
TOTAL YEARS IN HOSPITALITY INDUSTRY: *5*
BACKGROUND EXPERIENCE: *Owner / Chef / Innkeeper*

Employment History

CURRENT EMPLOYER: *Sundance B&B* YRS OF SERVICE: *5*
TITLE: *Owner*
PAST EMPLOYER: *NBC / Telemundo / Algo Más Entertainment* YRS OF SERVICE: *20+ years.*
POSITION: *TV Producer*

Community/Board Involvement

ORGANIZATION: *The Wellness Kitchen* TITLE: *Cook*
DATES OF INVOLVEMENT: *winter of 2017*
ORGANIZATION: TITLE:
DATES OF INVOLVEMENT:
ORGANIZATION: TITLE:
DATES OF INVOLVEMENT:



2019 IPW Anaheim California DMO Sponsorship Opportunities

Background

Visit California in a partnership with Visit Anaheim plans to roll out the red carpet for our international trade and media partners from around the world when U.S. Travel's IPW returns to California for IPW Anaheim June 1-5, 2019. As host state, Visit California is maximizing every opportunity to showcase the Golden State in partnership with the statewide industry. In true California fashion, we are dreaming big and aim to create a series of once-in-a-lifetime experiences that will keep our guests California dreaming long after they've returned home.

Sponsorship Packages

Three platforms offering enhanced visibility are available to California partners through two sponsorship tiers:

1. "California Plaza" Activation: June 1-5, 2019
2. California Beach Party: Monday, June 3, 2019
3. Official Post-IPW FAM Tours: June 6-10, 2019

Gold Standard: \$25,000 Investment

- Recognition as California sponsor on digital screens in California Plaza
- Minimum of (1) overnight stay on (1) official Post-IPW FAM itinerary
- 4 invitations to California Beach Party
- Sponsor recognition at the California Beach Party
- Regional product/branded item in California Beach Party gift beach bag
- Hero feature on Visit California's consumer website homepage during 1 day of IPW
- 1-day destination takeover of Visit California's Instagram channel
- (1) tagged post on VCA social media channels
- Mention in a minimum of (2) press releases or trade newsletters dedicated to promotion of IPW returning to California in all 14 of Visit California's Tier 1 markets

Icon Status: \$50,000 Investment

- Immersive branded experience or featured entertainment during either the California Plaza Activation or California Beach Party
- 8 invitations to California Beach Party
- Featured destination in California Beach Party Grand Prize giveaway
- Regional product/branded item and collateral in California Beach Party gift beach bag
- Minimum of 1 overnight stay on one official Post-IPW FAM itinerary
- Guaranteed celebrity ambassador hosted activity/event in your destination during FAM

- Hero feature on Visit California’s consumer website homepage during 1 day of IPW.
- Featured destination in one of the daily lucky draw giveaways during the California Plaza Activation
- 1-day destination takeover of Visit California’s Instagram channel including live feed on large screen within the Plaza during the show
- Recognition as sponsor in all Visit California press releases and trade newsletters promoting IPW’s return to California in all 14 Tier 1 markets

ABOUT THE PLATFORMS

“California Plaza” Activation

June 1-5, 2019

Visit California aims to capitalize on the Anaheim Convention Center setting and captive audience to create a wow-worthy immersive brand experience in the central plaza that connects the host hotels to the convention center entrance. This “California Plaza” will feature a series of activations each day during peak traffic periods as well as branded engagement areas and info stations that remain in place throughout the show. In addition to capturing traffic going into the show each morning, each official day of programming—typically the Monday, Tuesday and Wednesday—offers a 60-minute window at the conclusion of the tradeshow appointments in the evening to provide entertainment.

For partners interested in sponsoring the entire day of the “California Plaza” Activation, custom sponsorship package could be created.

California Beach Party

June 3, 2019

Beach communities of Orange County – Huntington Beach and Newport Beach - Visit Anaheim and Visit California will host an epic invitation-only California Beach Party on the free Monday night of IPW, when there is no official IPW event. This exclusive, glam beach bash will take place on the sand in Huntington Beach. We envision this event being sponsored by a collective of California beach communities, enabling us to showcase the variety experiences on offer to our visitors and the distinctive personalities of each region. Key international trade and media contacts will be invited to join representatives from throughout California for a night of exclusive entertainment, premium California cuisine and libations and toes-in-the sand activities.

Post-IPW FAMS

June 6-10, 2019

Visit California has conceived of 10 different 3-night/4-day trip concepts intended to inspire new itinerary development, spark surprising story ideas and build buzz for the rich diversity of brag-worthy travel moments awaiting our global visitors. To that end, a dash of star power will be sprinkled throughout with cameo appearances from some California Dreamers and innovators. We’ll also make a concerted effort to make the participants feel like VIPs and create a slow pace so they can savor the moments and return home with a sense that they

were on a mini-vacation. The tentative itinerary themes and featured regions are as follows:

(Itineraries will be modified based on secured sponsorships)

- **SOCAL SOUL:** Steep yourself in the delicious, invigorating sun-drenched culture of Southern California. We'll start with a stop in the Golden State's southernmost wine country, Temecula, and then head to San Diego County's idyllic 70-mile stretch of coastline for a refreshing and invigorating line-up of culinary, retail and outdoor adventures. You'll get to know San Diego's charming communities and buzzing neighborhoods, from Carlsbad, Solana Beach and La Jolla to North Park, downtown and Coronado.
- **DESERT TRIP:** Revel in the dry heat, soak up the healing waters and marvel at the dramatic landscapes of the eclectic desert region. We'll start the trip with a stay at the iconic, historic Mission Inn & Spa in Riverside and stop at the state's biggest luxury outlet shopping center en route to Greater Palm Springs. In between hotel hopping and poolside chill out sessions, you'll get the inside scoop on Desert Modern architecture and see where Hollywood talents of yesterday and today retreat. We'll also take a tour of the vast Joshua Tree National Park and check out the quirky Western movie set village of Pioneertown, home to Pappy+Harriets, a venue beloved by musicians and music fans alike.
- **LA LA LAND:** We'll neighborhood hop through Los Angeles' vibrant patchwork of distinctive communities on this multi-cultural sampler of LA's rich culinary, arts and entertainment and trend-setting style scenes. Channel your inner Angeleno as you sip and savor at some of the hottest tables in town, experience vibrant cultural gems, capture photos in front of iconic backdrops and edgy street art and root for the home team at a professional sporting event. You'll have ample time to shop and we'll also make sure you have the option to squeeze in a work out...or two!
- **RIVIERA RETREAT:** Discover why the rich and famous and creative types having been making Ojai and Santa Barbara their go-to getaway destinations for more than a century. We'll start in Ojai, a tiny town surrounded by towering mountains where the living is easy and good vibes abound. Then we'll head to The American Riviera to continue living the good life with estate tours, sunset sails, wine tasting and shopping. The trip will end with a country Western twist in the bucolic Santa Ynez Valley known for its vineyards, horse ranches and the Danish town of Solvang.
- **CENTRAL COASTING:** Cruise up the coast on an epic road trip that will start in the laid back surfer's paradise of Ventura before winding up to San Luis Obispo County to savor the SLO life where wineries, coastal beach towns and ranches offer a perfect blend of old school, classic California. You'll tour Hearst Castle before driving the most iconic stretch of the Pacific Coast Highway through Big Sur. And we'll end in Monterey with an immersion in beautiful Steinbeck Country.

- **MOUNTAIN HIGH:** Experience California's Eastern Sierra region, an epic outdoor enthusiasts' playground. In winter, this is the Golden State's ski country. Come summer, the slopes at Mammoth Mountain sometimes remain open until the 4th of July depending on the snowfall. We'll explore the natural wonders of Mammoth Lakes, cruise by Mono Lake and walk through the ghost town of Bodie before heading into Yosemite National Park. After seeing the park's icons, we'll head to Lake Tahoe for more spectacular scenery and outdoor adventuring.
- **BAY AREA OR BUST:** Get to know the Bay Area's thriving urban centers, from the innovation hub of Silicon Valley and the iconic city by the Bay to buzzing Oakland and bohemian Berkeley. We'll see where technology innovators work their magic on a tech tour and explore San Francisco's icons from a variety of perspectives on land and sea. You'll discover how Oakland continues to transform into a culinary and artistic destination for Bay Area makers. And you'll experience Plus, Michelin-starred eateries will be on the menu daily.
- **NORCAL WINE DOWN:** This one's for the foodies and wine lovers. We'll start in America's "Farm to Fork Capital" and California's state capital, Sacramento to tour the surrounding farms and wineries. The next stop will be the legendary Napa Valley for more wine touring and tasting and long, leisurely Michelin-starred meals. You'll get to know the valley's small towns before moving into our final delicious destination, Sonoma County. We'll cleanse our palates with some craft beer tastings and make room for more feasting on hikes through the redwoods, a bike tour through the vineyards and walks along the rugged coastline.
- **LOST COAST GLAMP OUT:** Get off the grid and back to nature on California's Lost Coast on this guided luxury camping experience led by Four Points Adventures. You won't really be roughing it with Tepui Tent beds, gourmet camp fare and other creature comforts. We'll hike through towering redwood forests, kayak for oysters, taste local wines and craft brews and star gaze as we explore this remote and stunningly beautiful slice of the Northern California coast. We'll be accompanied by professional photographers who will share tips and offer optional workshops on topics like night photography. *Note: Limited capacity to 8-10 people.*
- **SHASTA CASCADE:** Discover the northeastern most corner of California on a wonderful wilderness spectacular in the Shasta Cascade region. We'll enter the energetic vortex of Mount Shasta and see the otherworldly nature of Lassen Volcanic National Park. You'll get a taste of the house boating life on Lake Shasta and cool off in the region's many rivers and lakes. We'll commune with Mother Nature every step of the way, whether fishing, hiking, horseback riding, rafting or kayaking. And you'll have ample opportunity to sample locally produced craft beers and wines.

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.*

November 9, 2018

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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 \$8,000,000.

Cost: The annual assessment rate is two percent (2%) 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.

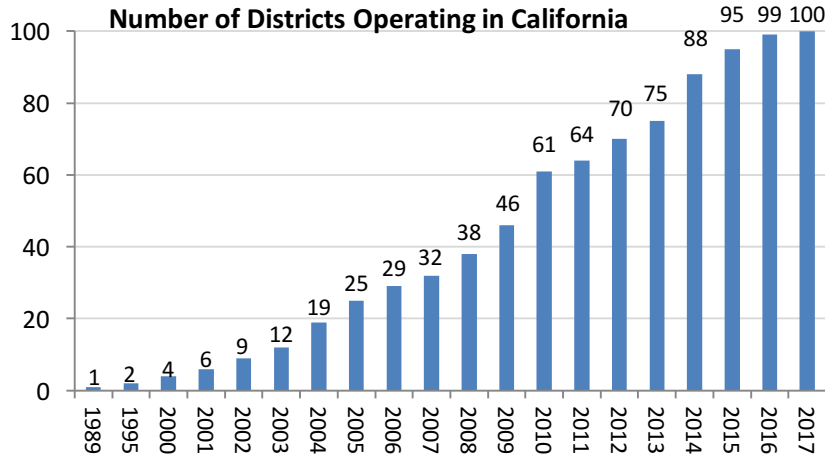
Collection: The County and cities will be responsible for collecting the assessment on a monthly or quarterly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SLOCTMD, within their respective jurisdictions. The County and cities shall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

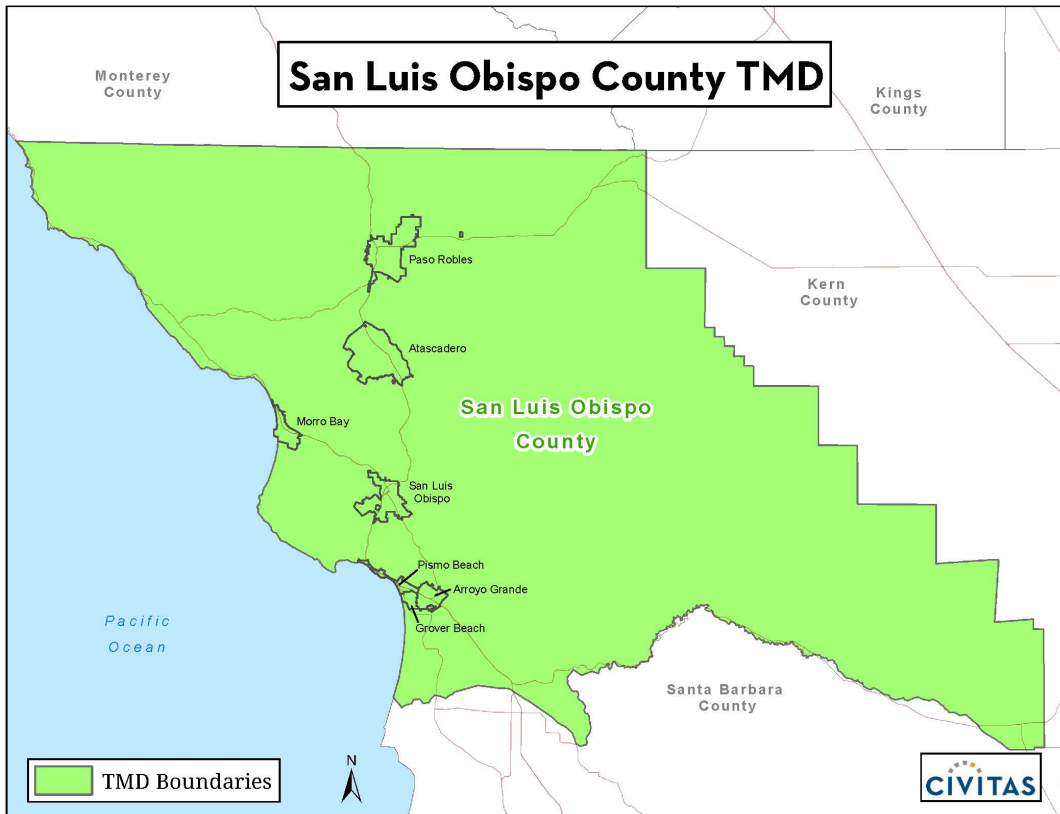
- Tourism Marketing District Approved (June 2015)
- Developed Crisis Communication Plan (September 2015)
- Economic Impact of Tourism Exceeds \$1.5B (December 2015)
- First Shoulder Season Marketing Campaign Launched (January 2016)
- New Booking Engine Partnership (March 2016)
- First-of-their-Kind Countywide 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 to 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 to 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)
- Completion of Destination Management Strategy (Winter 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, motor home, 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.

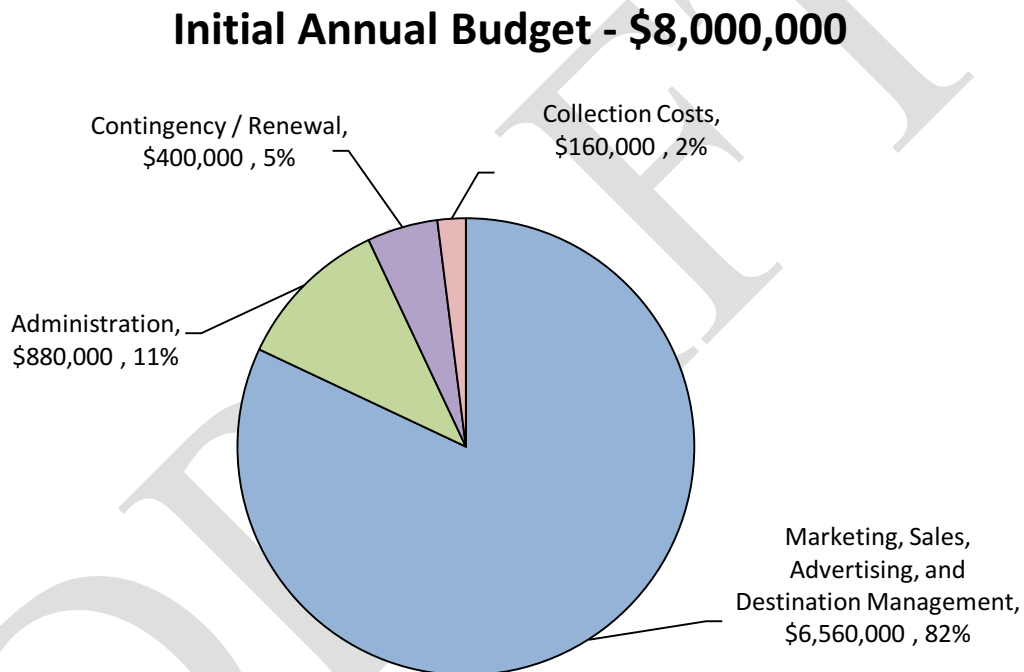


V. BUDGET AND SERVICES

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 \$8,000,000.



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 on an as-needed basis.

Marketing, Sales, Advertising & Destination Management

A marketing, sales, advertising, and destination management 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
- Brand development and management to attract overnight visitors
- Digital marketing, advertising and promotions to drive demand for lodging sales, including blogs, e-newsletters, social media and direct response campaigns
- Website development and maintenance to drive demand for lodging sales
- Media and public relations to increase destination awareness
- Radio, print and tv advertising to increase destination awareness
- Domestic and international sales missions to increase demand for lodging sales
- Staff engaged in implementing marketing, advertising, promotions and sales activities
- Seasonal and event-related promotions and event guides to drive demand for lodging sales
- Strategic partnerships with travel associates
- Management of a resource library to assist in sales and marketing efforts
- Event marketing to drive demand for lodging sales
- Consumer communication for the benefit of assessed businesses
- Working with and as the Film Commission (Film SLO CAL) to increase lodging sales
- Attendance of conferences, events, and trade shows to showcase the destination
- Research on market conditions and opportunities
- Management of a destination media kit
- Development, production and distribution of a destination visitors' magazine
- 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 \$8,000,000 annually, or \$80,000,000 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 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

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

² Cal. Const. art XIII C § 1(e)(1)

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

D. Assessment

The annual assessment rate is two percent (2%) 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

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

any kind or nature, without any deduction. Rent 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 County and each City shall use ACH (direct deposit) for all TMD assessment collections.

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 elected officials and city managers, who will participate in semi-annual meetings and liaise back to the communities they represent with programming updates and overall metrics demonstrating the impacts of the TMD on the County and cities. Each participating community will determine its elected representative(s) to the committee.

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

APPENDIX 1 – LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2018 SUPPLEMENT ***
(ALL 2017 LEGISLATION)

STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
 - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the

incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. 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. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board

of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.
- (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:
 - (1) A map showing the boundaries of the district.
 - (2) Information specifying where the complete management district plan can be obtained.
 - (3) Information specifying that the complete management district plan shall be furnished upon request.
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
 - (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
 - (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

- (e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.
- (f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.
- (g) The time and manner of collecting the assessments.
- (h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.
- (i) The proposed time for implementation and completion of the management district plan.
- (j) Any proposed rules and regulations to be applicable to the district.
- (k)
 - (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.
 - (2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.
- (l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.
- (m) In a property-based district, the total amount of general benefits, if any.
- (n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.
- (o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

- (a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.
- (b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay

50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may

classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500))

or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

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

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
 - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
 - (2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

- (a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.
- (b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

[TO BE INCLUDED]

DRAFT

MARKETING UPDATE



ESTABLISH BRAND CLARITY &
INCREASED AWARENESS THROUGH
UNIFIED EFFORTS



BUILD & EXPAND STRATEGIC
PARTNERSHIPS



DEMONSTRATE VALUE TO
STAKEHOLDERS, PARTNERS &
COMMUNITIES

***TRAVEL
TRADE***





Travel Trade: **UPDATES**

RECENT EFFORTS

- **Outreach:** Paso Robles, San Luis Obispo, Pismo Beach
- **Prospecting**
 - Meeting Planner - CalSAE
 - Tour & Travel Companies
- **WTM & German Sales Days:** November 5-11
 - London & Frankfurt
- **VCA Central China FAM:** November 9-10

UPCOMING TRADE PROGRAMS

- **CalSAE Seasonal Spectacular:** December 12-13
 - Sacramento

PARTNERSHIP & EVENTS





Partnership & Events:
UPDATES

SAVOR - SAN DIEGO BAY WINE & FOOD FESTIVAL

- November 16-17
- 10 Confirmed Partners:
 - SLO Wine
 - KROBAR Distillery + YES Cocktails
 - Groves on 41
 - Rails Nap Winery
 - Firestone Walker Brewing (805 brand)
 - Leroy's at The Kinney
 - 101 Wine Tours
 - Halter Ranch
 - Claiborne & Churchill



EARNED & OWNED MEDIA

- Public Relations
- [SLOCAL.com](https://www.slocal.com)

Earned Media:
**PUBLIC
RELATIONS**



OCTOBER MEDIA RESULTS

Turner PR:

- AVE: \$7,494.00
- Impressions: 3,782,075

UPCOMING OPPORTUNITIES

Proactive Pitching:

- **Short Lead:** Holidays in SLO CAL
- **Long Lead:** Winter in SLO CAL

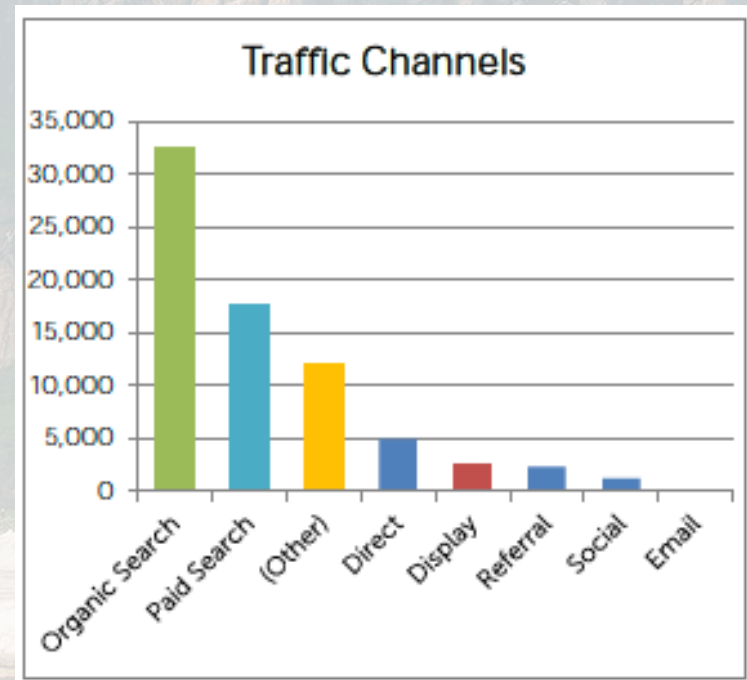
Upcoming Visits:

- Thrillist (TBD) – VCA (Nov 12-13)
- Atlas Magazine (Nov 14th)
- Scandinavian Media FAM (Nov 23rd)

Owned Media: **DIGITAL CHANNELS**

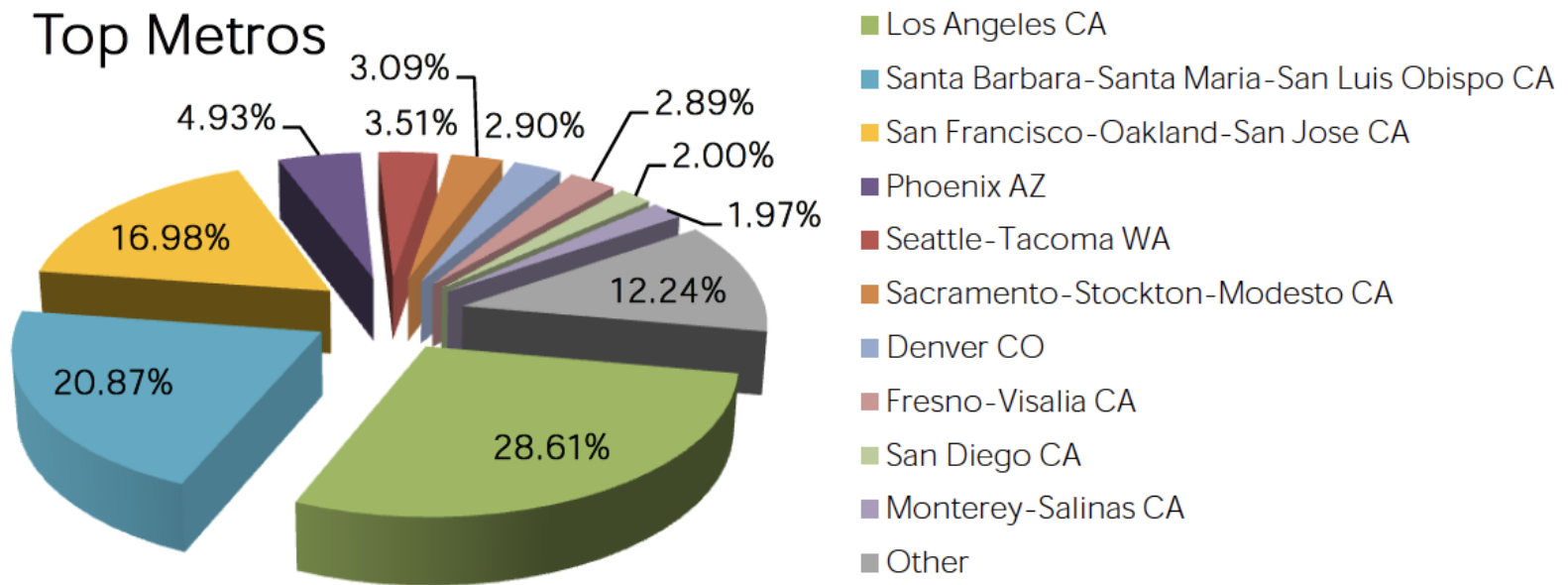
OCTOBER WEBSITE PERFORMANCE

- **Organic**
 - Sessions: -8%
 - Session duration: +30%
 - Pages per session: -25%
- **Traffic**
 - Sessions: -18%
 - Session duration: +16%
 - Pages per session: -11%



Owned Media DIGITAL CHANNELS

TRAFFIC SOURCES



PAID MEDIA

Campaign Update



Paid Media:
**AD
CAMPAIGN**



CREATIVE - BCF

- New hero shoot scheduled for week of November 27th
 - Scope: North Coast & San Luis Obispo
- Showcase:
 - Highway 1
 - Farmers Market
 - Hiking & Mountain Biking

MEDIA – MILES

- Fall Ad Campaign Performance Since September 21
 - Display & Video:
 - 12.3M Impressions
 - 13K Clicks
 - 365K Completed Video Views
 - \$0.18 Cost-per-click (CPC)
 - Paid Social Media
 - 2.7M Impressions
 - 34.5K Clicks
 - \$0.66 CPC
 - Paid Search
 - 331K Impressions
 - 138K Clicks
 - \$2.32 CPC

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).

CTI reading of 50.8 in September 2018 indicates that travel to or within the U.S. grew 1.6% in September 2018 compared to September 2017.

LTI predicts travel growth will continue to moderate through the first three months of 2019, supported primarily by growth in domestic demand.

Overall travel volume (person trips to or within the U.S. involving a hotel stay or air travel) grew at a slower year-over-year rate in September 2018 than in August 2018. International inbound travel experienced strong growth, while domestic travel softened, with growth supported entirely by the domestic leisure travel market.

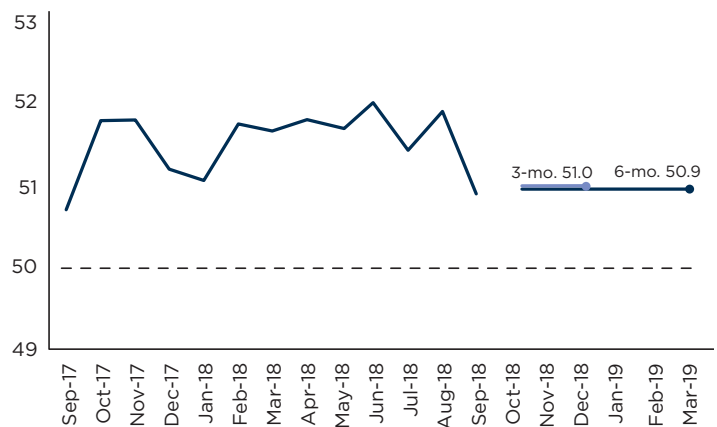
HIGHLIGHTS:

* For CTI and LTI definitions, please see below.

- The Current Travel Index (CTI) has registered at or above the 50 mark for 105 straight months, as the industry moves through its ninth consecutive year of expansion.
- The CTI was positive in September, registering 50.8. This is below the 6-month moving average of 51.6.
- International inbound travel experienced strong growth in September, registering 52.2. The Leading Travel Index (LTI) projects that inbound travel growth will stall over the next six months.
- Domestic leisure travel grew 1.8% in September, providing support for the domestic segment, while the business segment plateaued.
- The 6-month LTI reading of 50.9 indicates that total U.S. travel volume is expected to grow at a rate of around 1.8% through March 2019. Domestic travel is expected to grow at a slightly faster pace of 2.0%, while international travel growth is expected to remain flat over the same period.

September Travel Trends Index

Current Travel Index and Leading Travel Index Index (>50=expansion, <50=decline)



Source: Oxford Economics, U.S. Travel Association

“A robust domestic economy—led by surging business confidence and strong growth in business investment—is expected to support business travel in the months ahead. This will help offset expected slowdowns in both domestic leisure and international inbound travel.”

– David Huether
Senior Vice President, Research

	CTI	3-month LTI*	6-month LTI**
August Index	51.9	51.3	51.2
September Index	50.8	51.0	50.9
Direction and Speed	Travel demand increased; at a slower rate than the previous month	Travel is expected to grow over the coming 3 months; at a slightly faster rate	Travel is expected to grow over the coming 6 months; at a slightly faster rate

* Average outlook reading for Oct 2018 to Dec 2018

** Average outlook reading for Oct 2018 to Mar 2019

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.

TRAVEL TRENDS INDEX (Continued)

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).

► DETAILED RESULTS

Domestic travel demand increased in September, relative to the previous year. Gains were supported solely by the leisure market, as the domestic business segment plateaued. The pace of year-over-year travel demand growth slowed relative to July and August, as indicated by a lower CTI, because September 2017 had been artificially boosted by hurricane-related demand. Economic indicators remain solid, including strong consumer confidence and spending, as well as business investment. We continue to anticipate moderating growth in the domestic market as the overall economy is expected to soften heading into 2019. Also, because hurricane-related demand persisted throughout the fourth quarter of 2017, year-over-year comparisons will remain softer than otherwise.

International inbound travel growth was strong in September, expanding at a rate of 4.4% year-over-year. However, potential spillover effects from international trade tensions, as well as an expected cooling of the global economy, continue to weigh on the outlook for international visitations, which are projected to slow in the coming months.

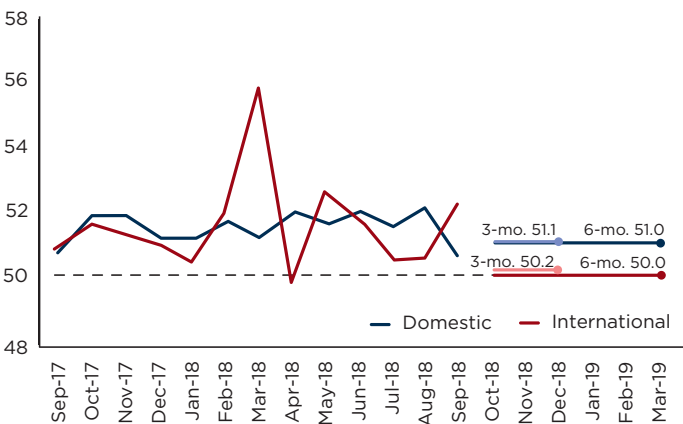
Travel Trends Index Summary

	Current Travel Index (CTI)				Leading Travel Index (LTI)		6-mo LTI vs. CTI 6-mo avg.	
	6-month avg	July	August	September	3-month*	6-month**	Direction	Speed
Total Market	51.6	51.5	51.9	50.8	51.0	50.9	Increasing ▲	Slower
International	51.2	50.5	50.6	52.2	50.2	50.0	—	Slower
Domestic	51.7	51.6	52.1	50.6	51.1	51.0	Increasing ▲	Slower
Business	51.6	51.2	52.4	50.0	51.4	51.5	Increasing ▲	Slightly Slower
Leisure	51.7	51.7	52.0	50.9	50.9	50.8	Increasing ▲	Slower

* Average outlook reading for Oct 2018 to Dec 2018
 ** Average outlook reading for Oct 2018 to Mar 2019

September Domestic and International Travel Index

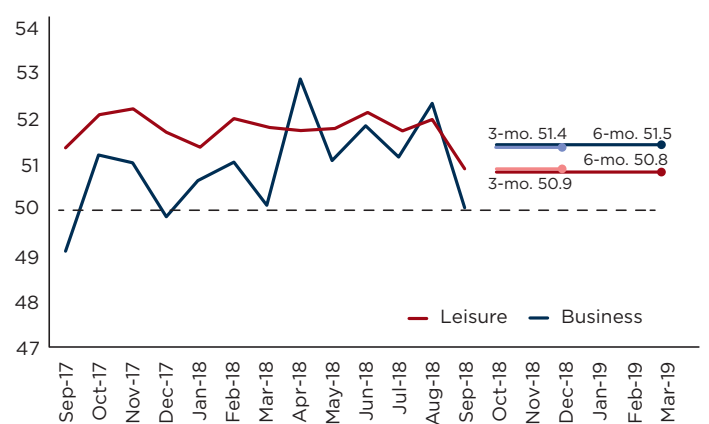
Index (>50=expansion, <50=decline)



Source: Oxford Economics, U.S. Travel Association

September Domestic Business and Leisure Travel Index

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



Source: Oxford Economics, U.S. Travel Association

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.

Executive Overview:

SEO Overview

Organic Traffic Overview:

Sessions decreased by 8%. Avg. session duration improved by 30%, and pages/session decreased by 25%.

The top organic landing pages this month were:

the home page, Events and Festivals, Pismo Beach Clam Festival Wine Walk, Calendar of Events, Live Music Concerts, Family Friendly Halloween Events in SLO CAL, Insider Tips 15 Free Things to Do in SLO CAL

Total Traffic Overview:

Sessions decreased by 18% (15,847 sessions).

Top Losses by Channel: Direct: - 52% (5,361 Sessions), Organic: - 8% (2,991 Sessions), Referral: 53% (2,635)

Top Loss by Category: Listings: -63% (4,703)

SEO Snapshot:

YoY Organic Landing Page Traffic Comparison - Top Areas

Events Pages saw a -47% change in Sessions. (-5,255 Sessions)

Listing (Profile) Pages saw a -66% difference in Sessions (-4,241 Sessions)

The Home Page saw a +72% change in Sessions. (+ 1,939 Sessions)

Things to Do (Activities) saw a +35% difference in Sessions. (+ 653 Sessions)

Blog Pages saw a -24% difference in Sessions. (-1161 Sessions)

Explore Pages saw -26% change in Sessions. (-1,278 Sessions)

SEO Recommendation:

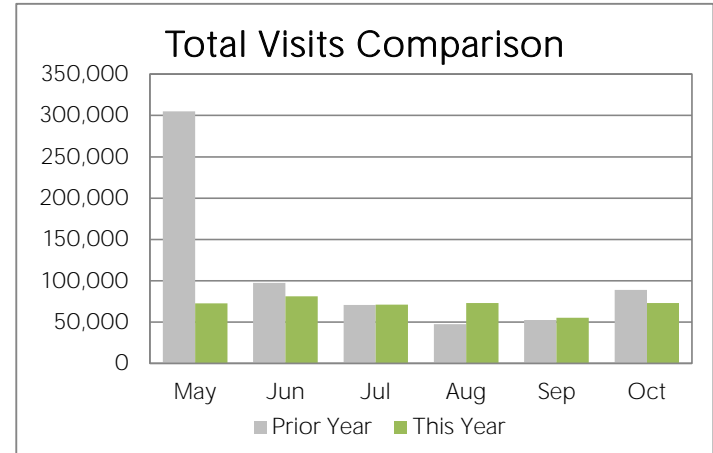
Search numbers as well as numbers of impressions justify the creation of a page for San Luis Obispo Hotels
 4,972 Impressions, 13 Clicks, 40,500 AMS

Industry Averages:

Engagement Metrics	Industry Average	Your Website		% Difference
Total Pages Per Session:	2.00	1.88	●	-6.44%
Total Average Session Duration:	0:01:47	0:02:35	●	31.13%
Total Bounce Rate:	55.32%	26.66%	●	-107.50%
Organic Pages Per Session:	2.08	2.37	●	12.32%
Organic Average Session Duration:	0:01:57	0:03:39	●	46.39%
Organic Bounce Rate:	49.95%	11.35%	●	-339.95%

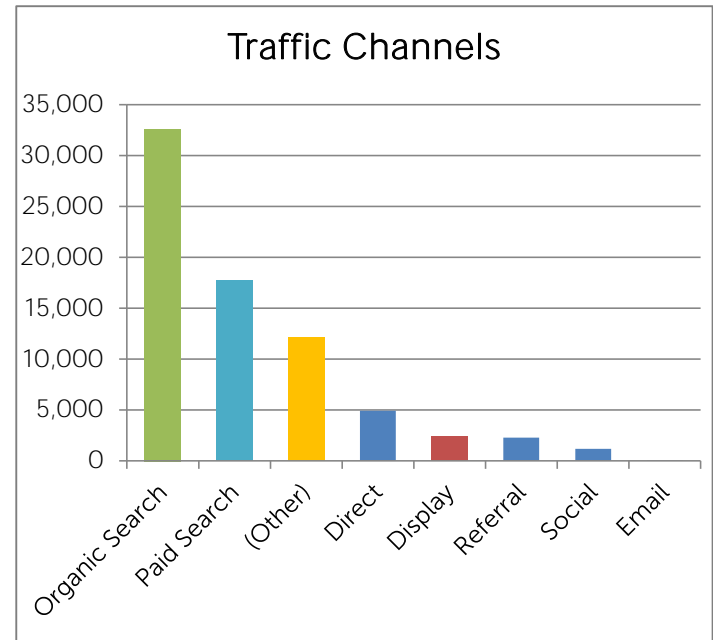
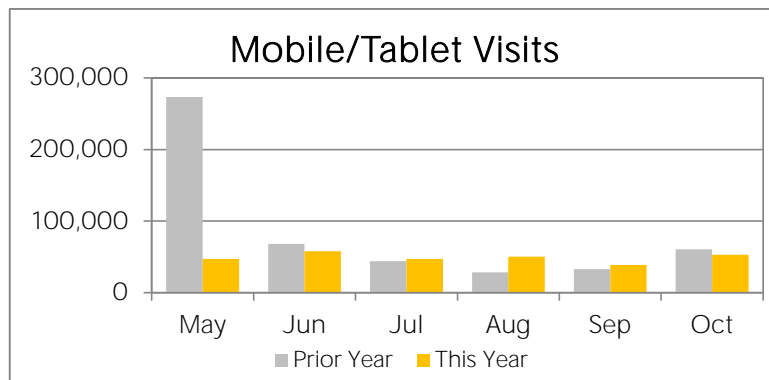
Total Traffic Overview:

	May	Jun	Jul	Aug	Sep	Oct
Sessions:	72,618	81,115	71,143	72,972	55,258	73,266
Users:	58,790	64,714	55,701	59,051	44,998	58,915
Bounce Rate:	8%	12%	17%	23%	21%	27%
Pageviews:	234,064	218,200	155,972	152,518	114,473	137,885
Avg Pageviews Per Visit:	3.22	2.69	2.19	2.09	2.07	1.88
Avg. Session Duration:	0:03:01	0:02:44	0:03:21	0:03:02	0:02:57	0:02:35
Total Organic Search Traffic:	36,476	39,939	49,878	37,191	30,913	32,590
% of Traffic Organic Search:	50%	49%	70%	51%	56%	44%
Entry Pages From Search:	1,924	1,831	2,026	1,834	1,772	1,760



Mobile/Tablet SnapShot:

	May	Jun	Jul	Aug	Sep	Oct
Sessions:	47,329	58,038	47,254	50,247	38,574	52,974
% of Sessions:	65%	72%	66%	69%	70%	72%
Bounce Rate:	9%	14%	16%	25%	24%	31%
Pageviews:	128,267	126,463	82,084	85,035	64,301	79,413
Avg. Session Duration:	0:02:31	0:02:12	0:02:51	0:02:30	0:02:27	0:02:07



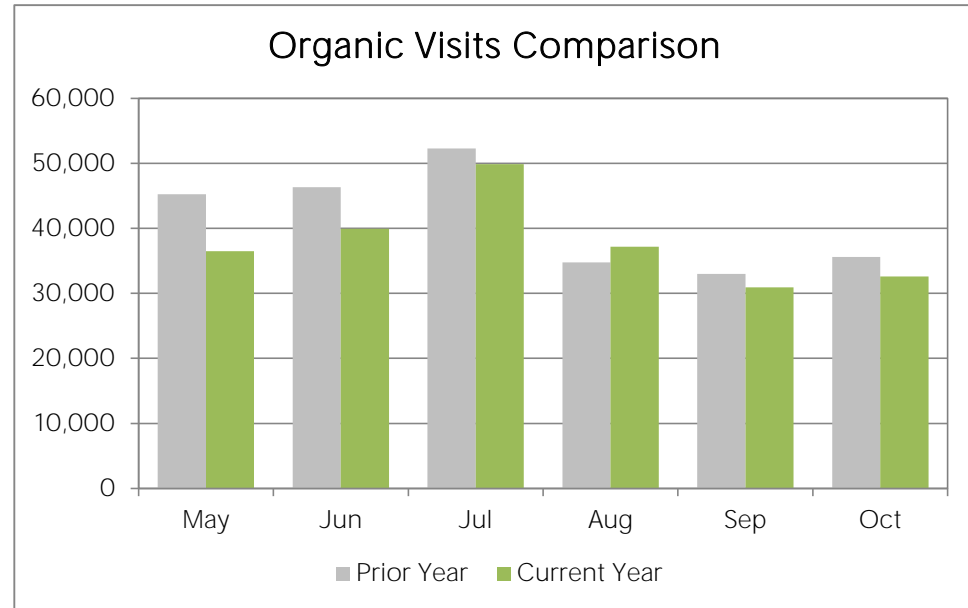
Organic Search Traffic:

Organic Traffic	% of Total Site Traffic	
Sessions	32,590	44.48%

Organic Engagement Compared to Site Engagement		
Pages / Session	2.37	25.89%
Avg. Session Duration	0:03:39	40.71%
New Sessions	69.74%	-8.34%
Bounce Rate	11.35%	-57.42%

Search Engine	Visits	Percent
google	31,803	97.59%
bing	385	1.18%
yahoo	377	1.16%
ask	21	0.06%
baidu	2	0.01%
msn	1	0.00%

Top 10 Links to Site	Links	Pages
visitcalifornia.com	33,323	28
reside.org	17,319	1
blairproperties.net	11,560	1
destinationpasorobles.com	10,862	2
coterealtors.com	10,235	1
centralcoast-tourism.com	7,893	20
pasowine.com	6,660	2
centralcoastrealestatephotography.com	6,513	4
digitalinteractive.us	5,375	2
tombarket.com	3,730	1



Landing Page	Visits	Percent
/	4,632	14.21%
/events-and-festivals/	3,688	11.32%
/event/pismo-beach-clam-festival-wine-walk/2412/	1,002	3.07%
/events-and-festivals/events-calendar/	745	2.29%
/events-and-festivals/live-music-concerts/	701	2.15%
/blog/post/family-friendly-halloween-events-in-slo-cal/	692	2.12%
/blog/post/insider-tips-15-free-things-to-do-in-slo-cal/	493	1.51%
/things-to-do/	474	1.45%
/event/pumpkins-in-the-park/2470/	409	1.25%
/event/annual-cayucos-car-show/2540/	405	1.24%

External Links

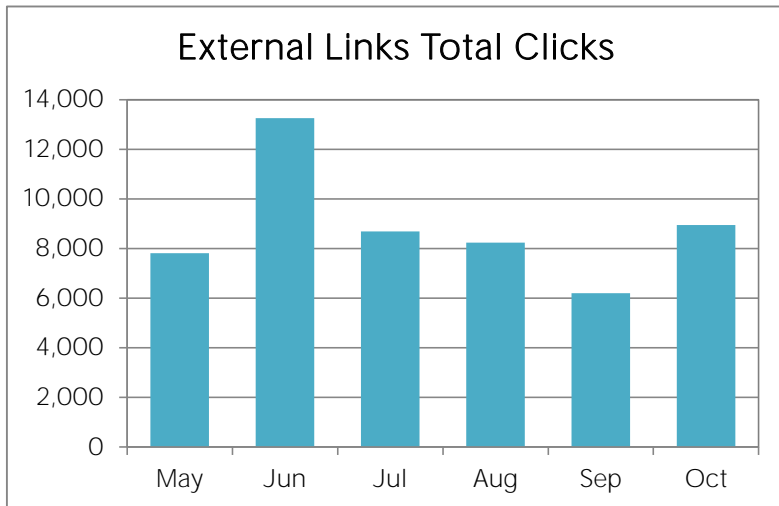
Top 10 URLs	Total Clicks
www.pismoclamfestival.com/index.html	507
cayucoschamber.com	259
cambriascarecrows.com/	214
assets.simpleviewcms.com/simpleview/image/fetch	172
www.pismojazz.com	142
vimeo.com/254752474	140
www.slowine.com/events/harvest-on-the-coast.ph	133
www.pismobeach.org	115
www.morrobay.org/events/lighted-boat-parade	107
events.avilabeachresort.com/	104

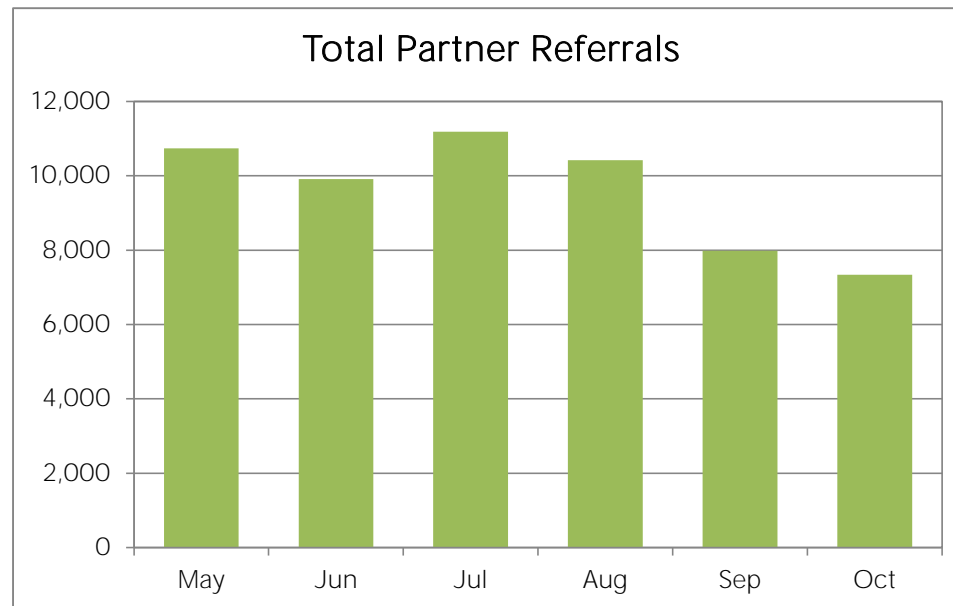
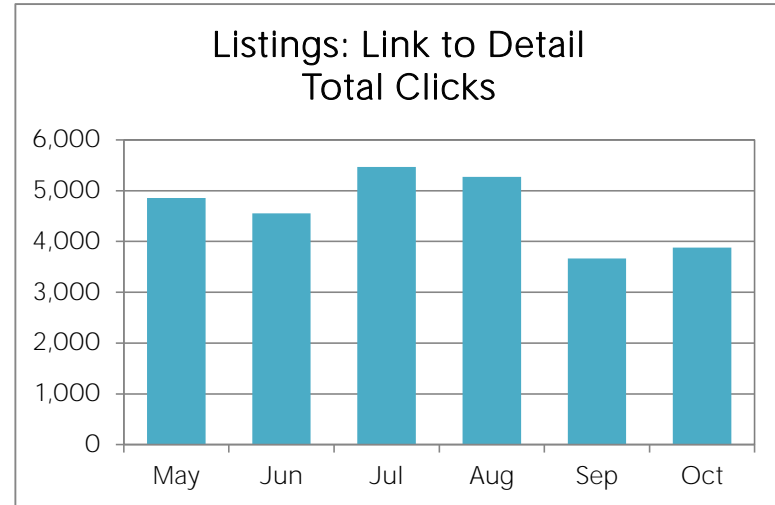
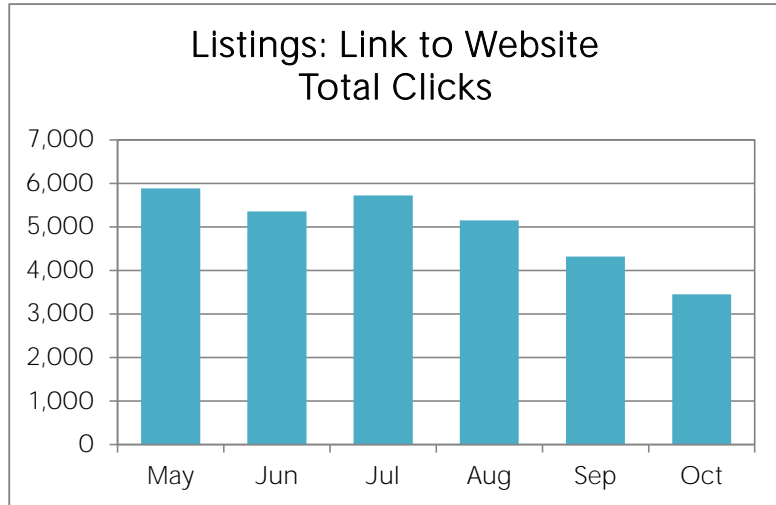
Listings: Link to Website

Top 10 Websites	Total Clicks
Nitt Witt Ridge	48
Swinging Bridge	45
Dia Feliz Spa	35
Sunbuggy Fun Rentals	35
Moonstone Beach	34
The Fremont Theater	34
Mission San Luis Obispo de Tolosa	33
Morro Dunes RV Park	33
Old Edna Townsite	30
Pismo Coast Village RV Resort	30

Listings: Link to Detail

Top 10 Listings	Total Clicks
Nitt Witt Ridge	57
Swinging Bridge	54
El Moro Elfin Forest	40
California Highway 1 Discovery Route	38
Mission San Luis Obispo de Tolosa	38
Avila Beach Horseback Riding	33
Ragged Point Beach	32
Sycamore Mineral Springs Resort & Spa	29
Whale Rock Reservoir	29
Bishop Peak	28



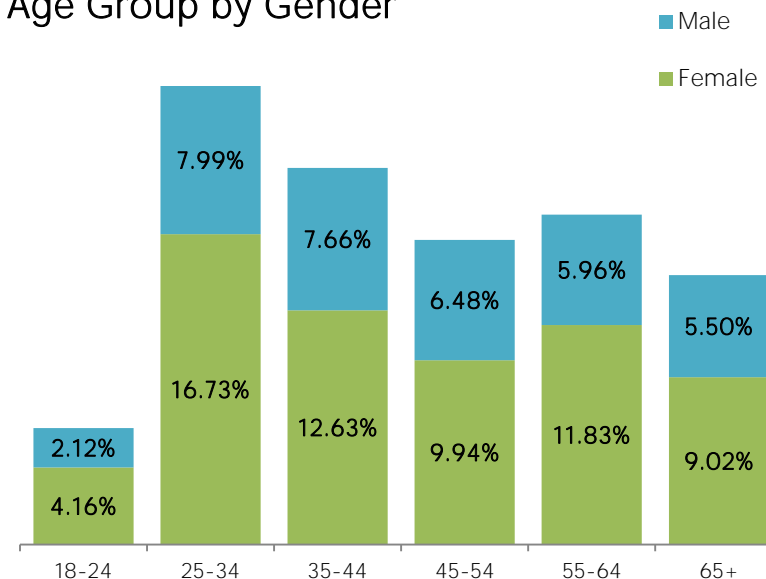


Demographics & Interests

Affinity Categories:

Top 10 Affinity Categories	Visits
Food & Dining/Cooking Enthusiasts/30 Minute Chefs	17,543
Shoppers/Value Shoppers	17,039
Lifestyles & Hobbies/Pet Lovers	15,531
News & Politics/Avid News Readers	14,272
Travel/Travel Buffs	14,167
Lifestyles & Hobbies/Art & Theater Aficionados	14,005
Media & Entertainment/Book Lovers	13,987
Sports & Fitness/Health & Fitness Buffs	13,265
Media & Entertainment/Movie Lovers	13,145
Lifestyles & Hobbies/Family-Focused	12,870

Age Group by Gender



Other Categories:

Top 10 Categories	Visits
Arts & Entertainment/Celebrities & Entertainment News	10,035
News/Weather	5,025
Food & Drink/Cooking & Recipes	4,876
Travel/Air Travel	3,921
Arts & Entertainment/TV & Video/Online Video	3,820
News/Politics	3,304
Sports/Team Sports/American Football	3,084
Online Communities/Social Networks	3,060
News/Sports News	2,889
Real Estate/Real Estate Listings/Residential Sales	2,857

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:

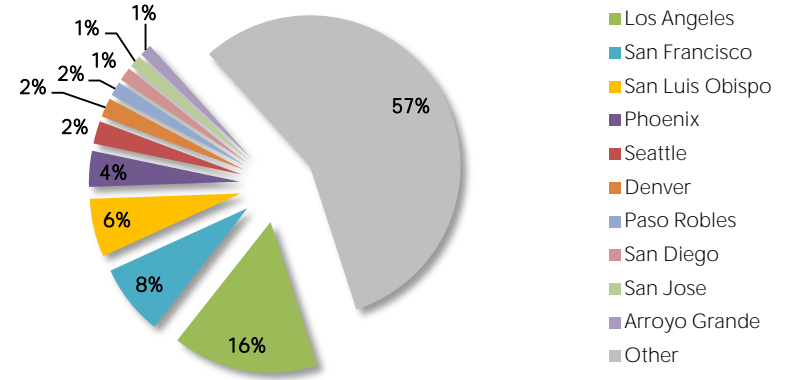
Top Landing Pages	Entrances
/events-and-festivals/	13,808
/	9,555
/blog/post/explore-slo-cal-this-fall/	6,725
(not set)	3,710
/event/pismo-beach-clam-festival-wine-walk/2412/	1,087
/blog/post/insider-tips-15-free-things-to-do-in-slo-cal/	839
/events-and-festivals/events-calendar/	815
/blog/post/family-friendly-halloween-events-in-slo-cal/	776
/events-and-festivals/live-music-concerts/	758
/things-to-do/	547

Top Content Pages	Pageviews
/	21,131
/events-and-festivals/	17,477
/blog/post/explore-slo-cal-this-fall/	7,356
/events-and-festivals/events-calendar/	3,156
/things-to-do/	2,109
/events-and-festivals/live-music-concerts/	1,510
/event/pismo-beach-clam-festival-wine-walk/2412/	1,378
/stay/	1,242
/blog/post/insider-tips-15-free-things-to-do-in-slo-cal/	1,065
/explore/	1,012

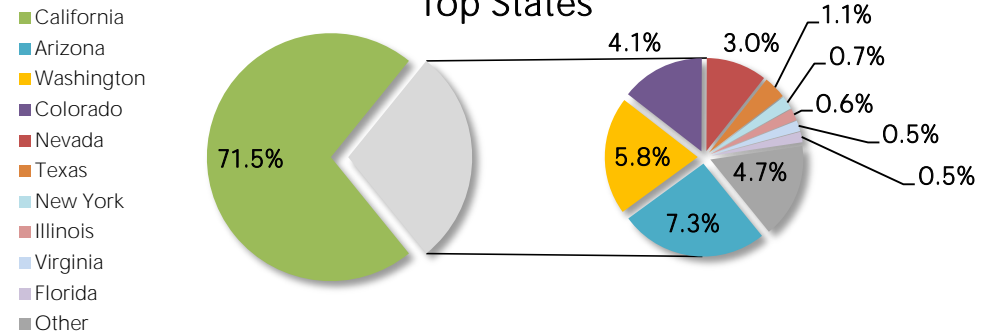
Top Exit Pages	Exits
/events-and-festivals/	11,723
/	6,702
/blog/post/explore-slo-cal-this-fall/	6,253
/events-and-festivals/events-calendar/	1,219
/event/pismo-beach-clam-festival-wine-walk/2412/	1,073
/events-and-festivals/live-music-concerts/	784
/blog/post/insider-tips-15-free-things-to-do-in-slo-cal/	732
/things-to-do/	729
/blog/post/family-friendly-halloween-events-in-slo-cal/	717
/event/pumpkins-in-the-park/2470/	436

Geographic:

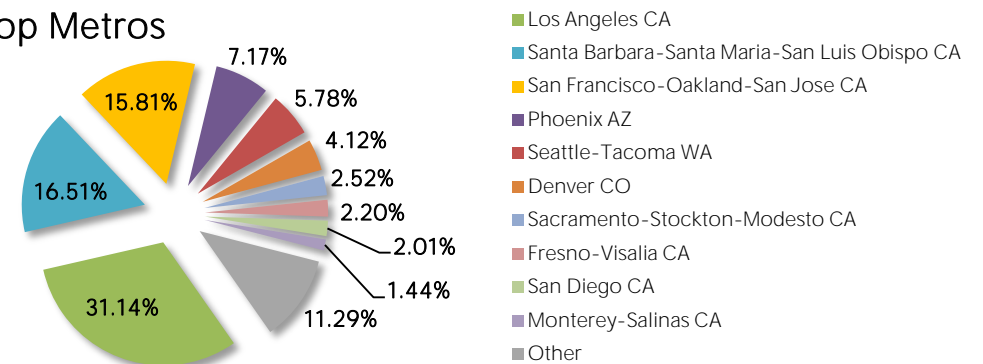
Top Cities



Top States



Top Metros



Top Referrers:

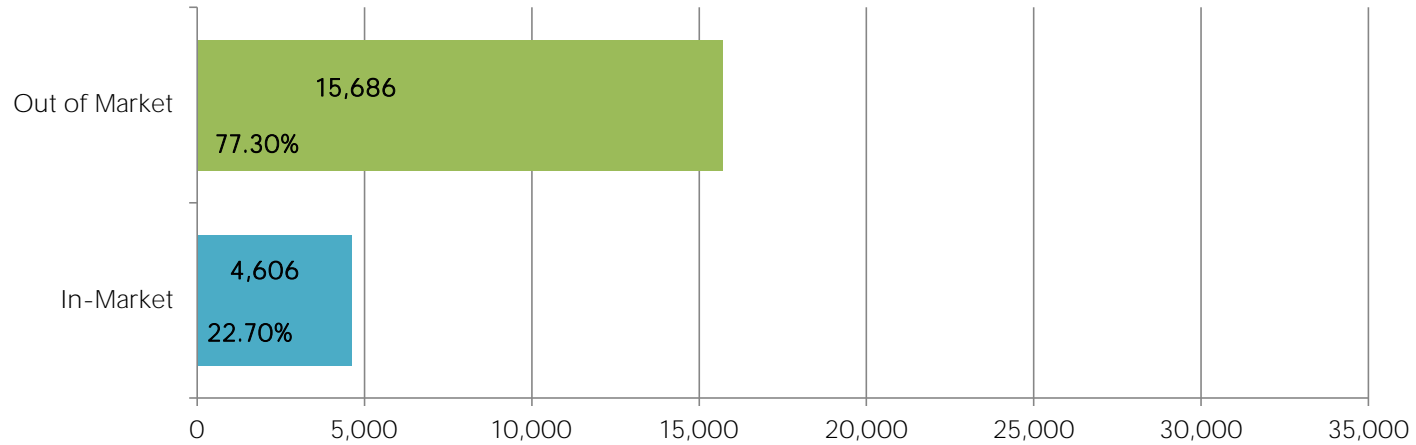
Referrer	Sessions	Bounce Rate	Avg. Session Duration	Pages / Sessions
m.facebook.com	664	13.10%	0:01:52	1.11
visitcalifornia.com	655	9.16%	0:04:02	2.61
avilavillageinn.com	213	15.49%	0:03:40	2.33
rd.com	172	10.47%	0:01:27	1.45
lm.facebook.com	142	11.27%	0:02:09	1.40
slocal.simpleviewcms.com	136	2.21%	0:13:53	5.11
facebook.com	118	14.41%	0:01:49	1.53
l.instagram.com	83	10.84%	0:02:09	1.71
slocal.com	73	73.97%	0:00:58	1.52
parent.calpoly.edu	62	12.90%	0:03:25	2.23
Totals	3,457	12.61%	0:03:30	2.28

Top Campaigns:

Campaign	Source / Medium	Sessions	% New Sessions	Avg. Session Duration	Bounce Rate
CA_TO-DO	goodway / sem	4,028	91.41%	0:01:30	25.35%
fy19_miles	sharethrough / native	2,949	94.78%	0:00:48	75.08%
CA_BEACH	goodway / sem	1,742	86.62%	0:01:30	27.04%
Sitelink	goodway / sem	1,475	81.02%	0:01:37	17.83%
fy19miles	mediaiq / display	847	89.26%	0:01:41	18.42%
fy19miles	sojern / display	823	94.65%	0:00:47	30.62%
CA_TRAVEL	goodway / sem	712	87.08%	0:02:25	14.19%
CA_OUTDOOR	goodway / sem	451	90.47%	0:01:12	19.29%
fy19miles	adara / display	406	86.70%	0:00:58	44.58%
fy19miles	samsung / video	337	88.13%	0:01:10	13.95%
fy19_miles	youtube / video	179	88.83%	0:01:34	8.38%
fy19miles	samsung / display	171	91.23%	0:01:34	15.79%
fy19_miles	samsung / video	115	92.17%	0:00:56	10.43%
fy19_miles	facebook / video	65	90.77%	0:00:32	6.15%
slocalspring	GoodwayGroup / display	59	22.03%	0:02:49	18.64%
Totals		14,532	89.49%	0:01:21	33.78%

In-MarketVsVisitor:

Desktop Visits



Mobile/Tablet Visits

