

# **City of Morro Bay**

## **Tourism Business Improvement District**

### **Advisory Board**

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#### *Mission Statement*

*The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.*

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### **NOTICE OF SPECIAL MEETING**

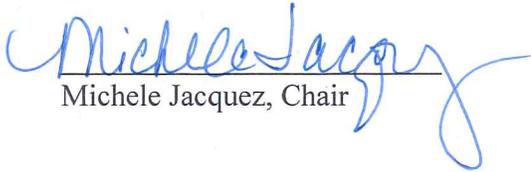
**THURSDAY, FEBRUARY 11, 2016  
VETERAN'S MEMORIAL HALL – 9:00 A.M.  
209 SURF STREET, MORRO BAY, CA**

- I. ESTABLISH QUORUM AND CALL TO ORDER – WELCOME NEW ADVISORY BOARD MEMBER
- II. PUBLIC COMMENT PERIOD REGARDING ITEMS ON THE AGENDA
- III. NOMINATION AND ELECTION OF MEMBERS FOR CHAIRPERSON AND VICE CHAIRPERSON POSITIONS
- IV. APPROVAL OF MINUTES FROM THE DECEMBER 10, 2015 TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD SPECIAL MEETING
- V. APPROVAL OF MINUTES FROM THE JANUARY 28, 2016 TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD SPECIAL MEETING
- VI. APPROVAL OF 2016 MEETING SCHEDULE AND RECOMMENDATION TO CITY COUNCIL FOR BY-LAWS CHANGE TO ACCOMMODATE MONTHLY MEETINGS
- VII. REPORT ON TRANSITION OF TOURISM AND MARKETING TO DIRECT CITY MANAGEMENT
- VIII. NOTICE OF TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID)/MORRO BAY TOURISM BUREAU (MBTB) ANNUAL STAKEHOLDER MEETING – CHANGE OF DATE TO THURSDAY, APRIL 14, 2016 AT 12:00 P.M.
- IX. DISCUSSION AND RECOMMENDATION REGARDING 2016/2017 BUDGET
- X. DISCUSSION AND RECOMMENDATION REGARDING 2016/2017 GOALS
- XI. DISCUSSION AND RECOMMENDATION REGARDING 2016/2017 GEOGRAPHIC TARGET

XII. DECLARATION OF FUTURE ITEMS

XIII. ADJOURNMENT

DATED: February 9, 2016

  
Michele Jacquez, Chair

**THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 24 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS, OR CALL CITY HALL AT 772-6201 FOR FURTHER INFORMATION.**

**IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.**

MINUTES - TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD  
SPECIAL MEETING – DECEMBER 10, 2015  
VETERAN’S MEMORIAL HALL – 8:00 A.M.

PRESENT: Michele Jacquez Chairperson  
Todd Baston Member  
Aaron Graves Member  
Taylor Newton Member (Arrived at 8:45 a.m.)  
Joan Solu Member

ABSENT: Jayne Behman Member

STAFF: Sam Taylor Deputy City Manager  
Brooke Austin Deputy City Clerk

I. CALL TO ORDER

The meeting was called to order at 8:06 a.m.

II. PUBLIC COMMENT PERIOD

<https://youtu.be/-JDVncPLKNE?t=1m32s>

The public comment period was opened.

Homer Alexander requested to make comments regarding Item IV during the discussion

The public comment period was closed.

III. APPROVAL OF MINUTES FROM THE NOVEMBER 19, 2015 TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD SPECIAL MEETING.

<https://youtu.be/-JDVncPLKNE?t=2m29s>

MOTION: Board Member Graves moved the Board approve the November 19, 2015 minutes. The motion was seconded by Board Member Solu and carried unanimously, 4-0.

IV. DISCUSSION AND DIRECTION TO CITY COUNCIL REGARDING CITY TOURISM MARKETING AND PROMOTIONS MANAGEMENT

<https://youtu.be/-JDVncPLKNE?t=4m19s>

Deputy City Manager Taylor presented the City’s resolution regarding City tourism and marketing promotions management. He stated that the Board has three options: 1) approve staff’s recommendation; 2) reject staff’s recommendation; or 3) present an alternative or modified recommendation to Council.

The public comment period for Item IV was opened.

Homer Alexander of Morro Bay spoke about the history of the TBID and research he has performed regarding it. He expressed his concerns about hiring an independent contractor and felt that it would lead to the hiring of an advertising agency for tourism marketing. He highlighted differences between the old tourism model and the current model. He spoke in support of the current model and encouraged the Board to vote against the City's recommended resolution.

Chuck Davidson of Visit San Luis Obispo County spoke regarding the City directly handling tourism marketing and promotions. He recommended that in order for the transition to be more successful, the City should hire full-time staff dedicated to tourism.

DeDe Alexander pointed out that both public speakers recommended full-time staff dedicated to promoting Morro Bay.

The public comment period for Item IV was closed.

Board Member Jayne Behman was not able to attend the meeting, but provided a letter for the record that can be found at <http://morrobayca.gov/DocumentCenter/View/9342>. This letter was read into the record by Chairperson Jacquez.

Deputy City Manager Taylor responded to Board questions regarding staff's recommended resolution.

The Board was not in favor of staff's proposed resolution, but worked to create a modified resolution to present to Council. The modified resolution can be found at <http://morrobayca.gov/DocumentCenter/View/9345>.

MOTION: Board Member Solu moved to strongly recommend to City Council that they adopt the resolution with amended changes as proposed by the TBID Board. . The motion was seconded by Board Member Newton and carried unanimously, 5-0.

## V. DECLARATION OF FUTURE ITEMS

There were no future agenda items declared.

## VI. ADJOURNMENT

MOTION: Board Member Graves moved to adjourn the meeting at 10:29 a.m. The motion was seconded by Board Member Solu and carried unanimously, 5-0.

Recorded by:

Brooke Austin  
Deputy City Clerk

MINUTES - TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD  
SPECIAL MEETING – JANUARY 28, 2016  
MORRO BAY TOURISM BUREAU – 9:00 A.M.

PRESENT:	Michele Jacquez	Chair
	Jayne Behman	Member
	Aaron Graves	Member
	Taylor Newton	Member
ABSENT:	Joan Solu	Member
STAFF:	Sam Taylor	Deputy City Manager
	Brooke Austin	Deputy City Clerk

I. CALL TO ORDER

The meeting was called to order at 9:00 a.m.

II. PUBLIC COMMENT PERIOD

The public comment period was opened; seeing none, the public comment period was closed.

III. CONSIDERATION OF RECOMMENDATION FROM THE MORRO BAY TOURISM BUREAU REGARDING SELECTION OF MENTAL MARKETING FOR CITY TOURISM MARKETING AND PUBLIC RELATIONS SERVICES

MOTION: Board Member Graves moved to reaffirm the vote of the Morro Bay Tourism Bureau Board to recommend to the City Council that the City enter into a two year agreement with Mental Marketing for public relations and marketing services. The motion was seconded by Board Member Behman and carried unanimously, 4-0.

IV. DECLARATION OF FUTURE ITEMS

Board Member Behman requested an analysis of the use of funds comparing last year's budget and the proposed budget as regards to the hard costs for public relations and marketing separate from everything else.

Board Member Newton requested a future item regarding lighting and the Maritime Museum.

V. ADJOURNMENT

The meeting adjourned at 9:06 a.m.

Recorded by:

Brooke Austin  
Deputy City Clerk

# AGENDA NO. IX

## EXPENDITURE OBJECTS

Object	Description	
		\$ 956,106.00
<b>EXPENSE</b>		
4110	Regular Pay	
	Tourism Director	\$ 70,000.00
	Sales & Hospitality Coordinator	\$ 31,230.00
4120	Overtime Pay	
4310	Part-Time Pay	
4520	Cafeteria Pay	
	Tourism Director	\$ 17,581.52
	Sales & Hospitality Coordinator	\$ 7,502.40
4599	Other Pay	
	Sales Manager Commission/Bonus	\$ 10,000.00
4910	Employer Paid Benefits	
	Tourism Director, Medicare	\$ 1,015.00
	Tourism Director, Employer Match	\$ 1,500.00
	Sales & Hospitality Coordinator, PARS	\$ 1,872.00
	Sales & Hospitality Coordinator, Medicare	\$ 452.40
4999	Labor Costs Applied	
5106	Photographic Supplies	
	Billboard	\$ 4,500.00
	Photographer/Purchase Photography	\$ 3,000.00
5108	Communication Supplies	
	Constant Contact	\$ 2,400.00
	eFax	\$ 216.00
	DropBox	\$ 100.00
	Wufoo	\$ 200.00
	Digital West	\$ 1,000.00
5125	Repairs/Maint. Materials	
5170	Computer Paper	\$ 750.00
5175	Computer Operating Supp.	\$ 200.00
5199	Misc. Operating Supplies	
5201	Other Expense	
5301	General Office Supplies	\$ 500.00
5302	Copying Supplies	\$ 1,750.00
5303	Books & Manuals	
5304	Periodical/Subscriptions	
5305	Forms Printing	
	Trade & Road Shows	\$ 5,000.00
5306	Book Processing Supplies	
5350	Audio-Visual Supplies	
5352	Award/Trophy Supplies	
5502	Building Maint. Supplies	
5504	Machinery/Equip/Supplies	
6101	Legal Services	
6102	Legislative Analyst	
6103	Financial Audits	
6105	Consulting Services	
6106	Contractual Services	
	Sales Manager	\$ 30,000.00
	JackRabbit	\$ 14,400.00
	Certified Folder	\$ 6,500.00
	Billboard Rental	\$ 6,000.00
6107	Promotion & Advertising	
	Mental Marketing	\$ 290,000.00
	Advertising Sponsorships	\$ 50,000.00
	Promotional Items	\$ 21,868.44
6108	Marketing Consulting	\$ 15,000.00
6109	TV Ads - Southern Region	
6110	TV Ads - Northern Region	
6111	TV Ads - Central Region	
6112	TV Ads - Other Region	\$ 10,000.00
6113	Print Ads - So. Region	
6114	Print Ads - No. Region	

## REVENUES

2015-16 Carry Over Balance	\$ 44,500.00
2016-17 TBID Assessment	\$ 831,606.00
City Contribution	\$ 60,000.00
Alternative Revenue	\$ 20,000.00
	<b>\$ 956,106.00</b>

**Financial Reserve** **\$ 40,280.00**

## SALARIES/WAGES/BENEFITS

Tourism Director	\$ 70,000.00
Sales & Hospitality Coordinator	\$ 31,230.00
Employee Benefits	\$ 31,929.84
Contract Sales Manager	\$ 30,000.00
Sales Manager Bonus/Commission	\$ 10,000.00
	<b>\$ 173,159.84</b>

## MARKETING & PUBLIC RELATIONS

Mental Marketing, Marketing	\$ 290,000.00
Mental Marketing, Public Relations	\$ 80,000.00
Agency Consult & Reporting	\$ 15,000.00
Agency Contingency	\$ 15,000.00
Research	\$ 5,000.00
Internal Marketing Program Management	\$ 176,368.44
Internal Public Relations	\$ 25,000.00
Trade & Road Shows	\$ 34,750.00
Collateral	\$ 27,500.00
Community Event Grant Support	\$ 60,000.00
Regional Marketing Grant Support	\$ 25,000.00
	<b>\$ 753,618.44</b>

## OFFICE SUPPLIES/EQUIPMENT/TOOLS

Digital Communications & Storage	\$ 3,916.00
Office Supplies	\$ 3,200.00
Equipment Purchase/Replacement	\$ 1,500.00
Postage	\$ 12,211.72
	<b>\$ 20,827.72</b>

## PROFESSIONAL DEVELOPMENT

Staff	\$ 5,000.00
Board	\$ 1,500.00
Mileage Reimbursement	\$ 2,000.00
	<b>\$ 8,500.00</b>

6115	Print Ads - Cent. Region	
6116	Print Ads - Other Regions	\$ 30,000.00
6117	Promotion - Film Industry	
6118	Promotion - Media	
	Public Relations, Mental Marketing	\$ 80,000.00
	Public Relations, Internal	\$ 25,000.00
6119	Promotion - Other	
	Community Event Grant Support	\$ 60,000.00
	Regional Marketing Grant Support	\$ 25,000.00
	Contingency	\$ 15,000.00
6120	Trade Shows - Space Rent	\$ 16,500.00
6121	Trade Shows - Trans.	
6122	Trade Shows - Susistence	
6123	Promo Membeship - CCCT	
6124	Promo Membership - Other	
6125	Professional Development (board)	\$ 1,500.00
6126	Adverstising Prod/Design	\$ 2,500.00
	Website Improvements	\$ 10,000.00
6161	Licenses & Permits	
6199	Other Professional Svc	
	Research	\$ 5,000.00
6201	Telephone	
6220	Postage	\$ 12,211.72
6230	Messenger	
6231	Paqer Services	
6300	Utilities	
6301	Electricity	
6302	Natural Gas	
6303	Water	
6304	Sewer	
6305	Disposal	
6306	Special Waste Recycling	
6307	Disposal of Sludge	
6399	Other Utilities	
6401	General Liability	
6411	Property Damage Ins.	
6421	Boiler Insurance	
6441	Disability Insurance	
6451	Worker's Comp. Insurance	
	Tourism Director	\$ 824.60
	Sales & Hospitality Coordinator	\$ 367.54
6461	Unemployment Insurance	
	Tourism Director	\$ 407.19
	Sales & Hospitality Coordinator	\$ 407.19
6472	Other Ins./Employee Bond	
6473	Vehicle Insurance	
6498	Loss Reserves	
6502	Shipping & Moving	
	Trade & Road Shows	\$ 2,500.00
6510	Meetings & Conferences	\$ 5,000.00
6511	Mileage Reimbursement	
	Trade & Road Shows	\$ 1,500.00
	General	\$ 500.00
6512	Auto Allowance	
6513	Meals & Lodqing	
	IPW	\$ 1,250.00
	ABA	\$ 750.00
	Central Coast Women's Conference	\$ 200.00
	Sunset Celebration	\$ 400.00
	Baby & Kids Show	\$ 200.00
	Travel & Advenutre Show	\$ 750.00
	Arizona Ultimate Women's Expo	\$ 1,500.00
	LA Ultimate Women's Expo	\$ 1,500.00
	Local Entertainment (Stakeholder Meeting, etc)	\$ 2,000.00
6514	Travel Expense	
	IPW	\$ 750.00
	ABA	\$ 750.00

6519	Arizona Ultimate Women's Expo	\$ 1,200.00
	Association Membership	\$ 3,000.00
6601	Outside Equip. Repair/Mat	
6602	Outside Structural Repair	
6603	Outside Ground Repair	
6604	Outside Vehicle Repair/Maint	
6630	Janitorial Serivces	
6640	Maintenance Contracts	
6701	Outside Clerical/Sec. Svc	
6710	Notices & Publications	
	Morro Bay Visitor Guide	\$ 25,000.00
	Morro Bay Bike Map	\$ 2,500.00
	VSLOC Visitor Guide	\$ 5,000.00
	CCTC Map	\$ 1,500.00
	Visit California Roadtrips (CCTC)	\$ 2,600.00
	Visit California Travel Guide (VSLOC)	\$ 3,500.00
6720	Medical Examinations	
6730	Data Processing	
6740	Fiscal Management Fees	
6741	Misc. Bank Charges	
6742	Cr. Card Processing Chgs.	
6750	Business Equipment Rental	
6760	Recruitment	\$ 1,500.00
7302	Equipment Acquisition	\$ 1,500.00

## **Morro Bay Tourism Bureau & the Morro Bay Tourism Business Improvement District**

### *Goals & Objectives*

- Increase overall occupancy & hotel/motel revenues, especially during mid-week and shoulder season
- Extend the number of average hotel/motel room nights beyond 1.5
- Help incrementally increase the hotel/motel Average Daily Rate (ADR)
- Bring exposure to Morro Bay as a viable domestic and international destination for individuals and groups
- Assist with the development and growth of competitions and events that attract overnight guests
- Create opportunities to positively impact sales tax businesses & drive economic development in the City of Morro Bay
- Positively impact transient occupancy tax (TOT) for the City of Morro Bay

## **MARKETS & REACH**

### **Tier 1 Markets**

Morro Bay will continue reaching out to these primary markets throughout the year, taking into consideration the key trends and lifestyle of the audience the destination is trying to attract. Overall, the bureau will work with the agency and establish the media plan to reach these audiences to leverage business to reach the overall goals and objectives set in this document to the following feeder cities and areas:

- Los Angeles, California
- Central Valley of California
- San Francisco, California
- San Jose, California
- San Diego, California

There will be a slight hiatus of the marketing to the Tier 1 Markets during the summer season (June-August), however continue outreach though in the areas of social media, email marketing and public relations. The bureau wants to continue to evaluate where the best opportunities may be during the summer season, but also leverage the higher traffic to influence fall and winter travel. Although there is a hiatus with the Tier 1 Markets, this gives the bureau and its agency an opportunity to expand their focus on the Tier 2 Markets and influence travel to Morro Bay.

### **Tier 2 Markets**

These markets have been identified through data collected from Morro Bay retail, restaurants and lodging. The bureau has also evaluated digital analytics and the indicators of travel patterns found from historical data. The following seasonal markets will be

addressed during the warmer times of year in their regions to increase travel and expand into markets further and outside of California. These seasonal markets include:

April-October

- Sacramento, California
- Phoenix, Arizona

May-August

- Reno, Nevada
- Las Vegas, Nevada
- Houston, Texas

The purpose of reaching out to these warmer markets is to appeal to the audiences to escape to a beach setting with cooler climates. To escape the heat is one way to leverage the moderate climates of the Central Coast, plus with most of these markets being a considerable distance from Morro Bay, it helps fulfill the goals of increasing the overall room nights consumed, influencing mid-week business in Morro Bay and positively impacting the economy for sales tax businesses and the City of Morro Bay.

**Tier 3 Markets**

In reviewing the statistics and forecast from Visit California, plus incorporating our own analytics and tracking, it is determined that the countries Morro Bay would be most interested in are currently ones traveling to the area or have the potential in higher frequency in the future. Time and resource investment in these markets are crucial to stay competitive in the marketplace.

- United Kingdom
  - England
    - London
- Canada
  - Ontario
  - British Columbia
- Germany
  - North Rhine-Westphalia
  - Bavaria
  - Baden-Wurttemberg
- Brazil
  - State of Sao Paulo
- Australia
  - New South Whales
- China