

Welcome!

**Santa Cruz County
Tourism Marketing District
Renewal**

February 25, 2021

Santa Cruz County Tourism Marketing District Renewal

BACKGROUND

The current Tourism Marketing District (TMD) Plan was adopted on February 24, 2015. The Santa Cruz County TMD was formed under the Business Improvement District Law of 1994. It expires on June 30, 2022. Prior to formation of this district the first TMD (2010) and then TMD2 (2013) operated until 2015.

Purpose of the Tourism Marketing District Renewal Task Force (TMD-RTF)

- Identify preferred assessment structure for the renewal
- Support outreach and consensus building with the Santa Cruz County lodging industry at-large
- Develop and recommend updates to district plan

TMD Renewal Task Force Appointed September 2020

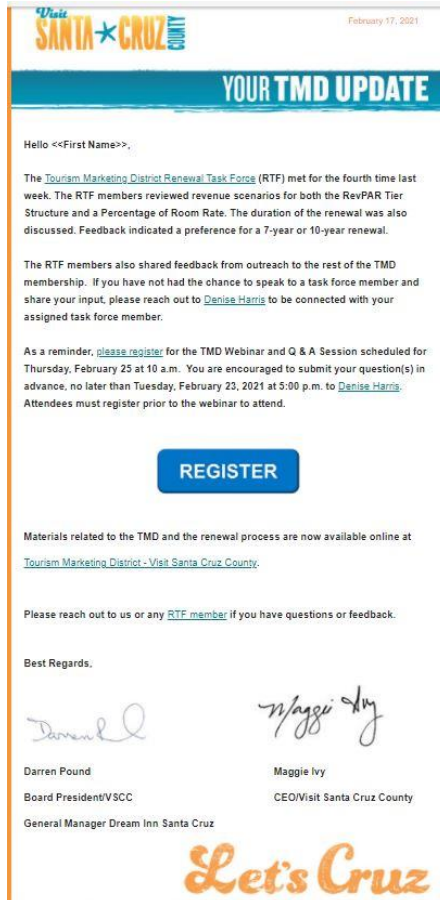
Co-Chairs:

Tejal Sood, Bayside Hotel Group

Kent Berman, Aspromonte Properties

- ★ Gael Abayon, Fairview Inn Bed & Breakfast
- ★ Omid Aminifard, Santa Cruz Seaside Company, Carousel Motel/Sea and Sand/Harbor Inn
- ★ Robert Bailey, Bailey Properties Vacation Rentals
- ★ Josh Belcher, Hilton Scotts Valley/Santa Cruz
- ★ Chris Ferrante, Beach Street Inn & Suites/Inn at Pasatiempo
- ★ Dede Harrington, Beach House Rentals Capitola
- ★ Mike Harris, Hampton Inn Watsonville
- ★ Kevin Herbst, Chaminade Resort & Spa
- ★ Mikael Labuguen, Four Points Scotts Valley
- ★ Tim McGregor, Seascape Resort
- ★ Ajita Patel, Beachview Inn
- ★ Bhavana Patel, Capitola Hotel/Seaway Inn/Economy Motel/Ocean Echo Inn & Beach Cottages
- ★ Bijal Patel, Quality Inn Ben Lomond
- ★ Dimpal Patel, Hitching Post Studios
- ★ Pravin Patel, Brookdale Lodge/Hotel Solares/Pacific Inn Santa Cruz
- ★ Sita Patel, Fairfield Inn Santa Cruz/ Four Points Scotts Valley/Holiday Inn Express Watsonville
- ★ Darren Pound, Dream Inn Santa Cruz (VSCC Chair of the Board)
- ★ Matthew Schupmann, Hotel Paradox

TMD Renewal Outreach



- ❖ Personal Contact:
 - Peer-to-Peer Outreach
- ❖ Email:
 - TMD Updates
- ❖ Town Hall/Webinars

Santa Cruz County Tourism Marketing District

Then and Now



Santa Cruz County Tourism Marketing District

- Owner's Association and Plan Administrator: Visit Santa Cruz County
- Lead Agency: Santa Cruz County Board of Supervisors
- Scope of District: Countywide including unincorporated areas and cities of Santa Cruz, Capitola, Scotts Valley and Watsonville
- TMD Members: All lodging facilities in Santa Cruz County including hotels, motels, bed and breakfasts and vacation rental management companies



Santa Cruz County TMD Current Fee Structure

| RevPAR | Tier 1 | Tier 2 | Tier 3 | Tier 4 |
|------------|----------------|--------------|--------------|--------|
| Amount | Less than \$50 | \$50-\$74.99 | \$75-\$99.99 | \$100+ |
| Assessment | \$1.90 | \$2.40 | \$2.70 | \$3.20 |

History of TMD Fee Structure

| Property Type | TMD-1 - Assessment Began July 1, 2010 | TMD-2* - Assessment Began July 1, 2013 | Total TMD Assessment |
|-----------------------|--|---|-------------------------|
| Less Than 30 Rooms | \$1.00 | \$0.50 | \$1.50 |
| More Than 30 Rooms | \$1.50 | \$0.50 | \$2.00 |

*TMD-2 was established as part of a negotiated compromise in 2013, between the lodging industry and local government, to limit the proposed increase in TOT from a two-point increase to a one point, in exchange for VSCC relieving governmental bodies from funding VSCC. Governmental funding had been the primary source of revenue for VSCC for 25 years. The additional \$.50 was established to replace that governmental funding, making VSCC dependent on the TMD for over 90% of its annual budget.

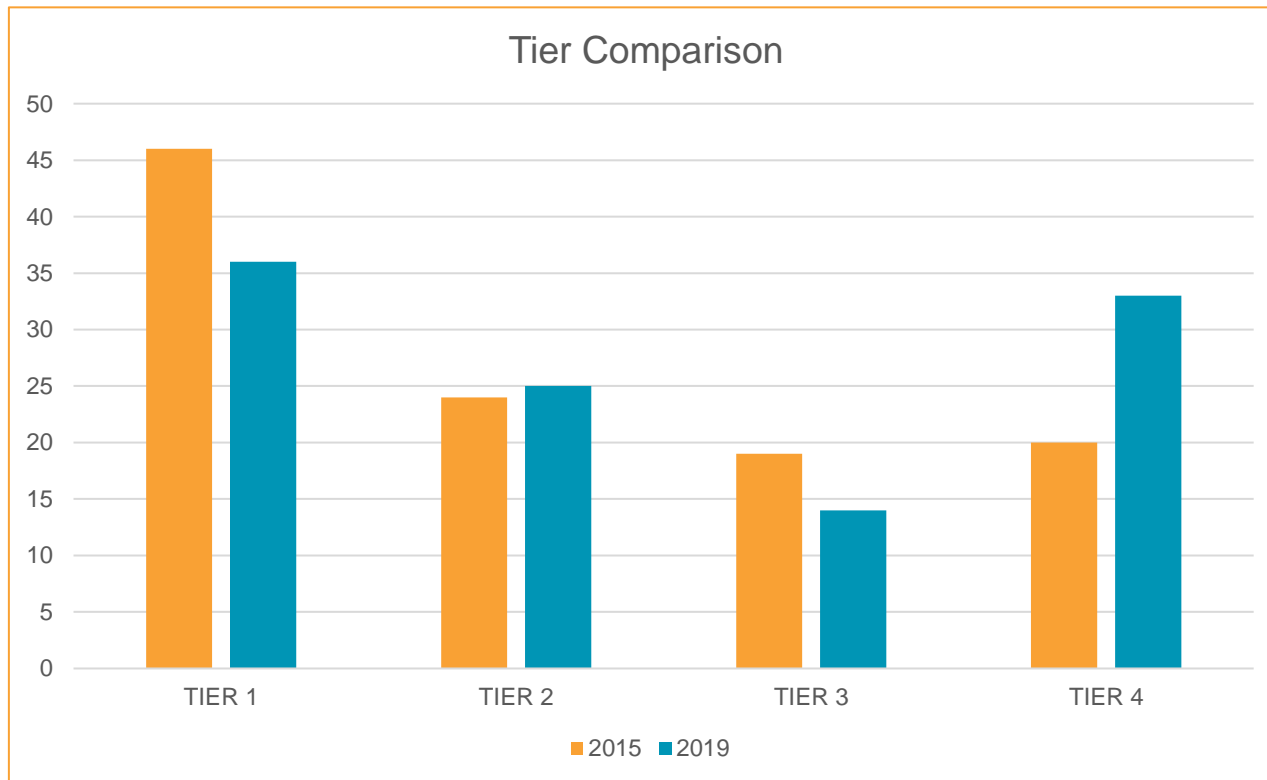
TMD History and Current Structure

| Property Type | TMD-1 - Assessment Began July 1, 2010 | TMD-2* - Assessment Began July 1, 2013 | Total TMD Assessment |
|-----------------------|--|---|-------------------------|
| Less Than 30 Rooms | \$1.00 | \$0.50 | \$1.50 |
| More Than 30 Rooms | \$1.50 | \$0.50 | \$2.00 |

| RevPAR | Tier 1 | Tier 2 | Tier 3 | Tier 4 |
|------------|----------------|--------------|--------------|--------|
| Amount | Less than \$50 | \$50-\$74.99 | \$75-\$99.99 | \$100+ |
| Assessment | \$1.90 | \$2.40 | \$2.70 | \$3.20 |

Properties in Tiers: 2015 vs. 2019

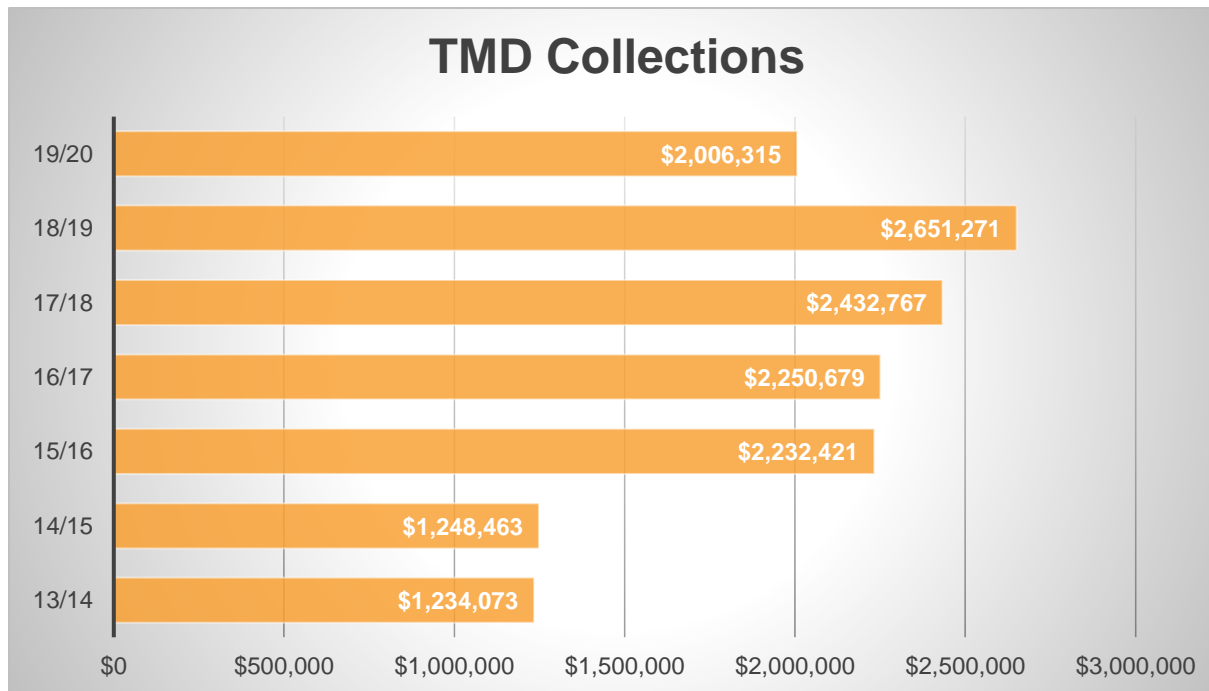
| YEAR | TIER 1 | TIER 2 | TIER 3 | TIER 4 |
|------|--------|--------|--------|--------|
| 2015 | 46 | 24 | 19 | 20 |
| 2019 | 36 | 25 | 14 | 33 |



DMO TMD/TBID Comparison Data

| <u>Destination</u> | <u>TMD/TBID Fee Structure</u> | <u>Projected TMD Revenue</u> | <u>Current TOT Rate</u> | <u>Add'l Fees</u> |
|-----------------------------|-------------------------------|------------------------------|-------------------------|-------------------|
| Santa Barbara | Tiers | \$5.7 million | 12.0% | No |
| San Francisco (City/County) | Percentage | \$27 million+ | 14.0% | Yes |
| Lake Tahoe - South Lake | Flat Rate | \$1.5 million+ | 10-12% | No |
| San Mateo (City) | Tiers | \$2 million + | 14.0% | Yes |
| Monterey (City) | See Monterey County | (see County) | 12.0% | No |
| Monterey (County) | Flat Rate | \$3.5 million | 10.5% | Yes |
| San Luis Obispo | Percentage | \$6.3 million | 10%-12% | No |
| Napa (County) | Percentage | \$6.5 million | 13.0% | No |
| Sonoma (City) | Percentage | \$730,000 | 13.0% | No |
| Ventura | Tiers | \$2 million + | 10.0% | No |
| San Jose | Tiers | \$2 million + | 10.0% | Yes |
| Santa Cruz County | Tiers | \$2 million + | 11.0% | No |

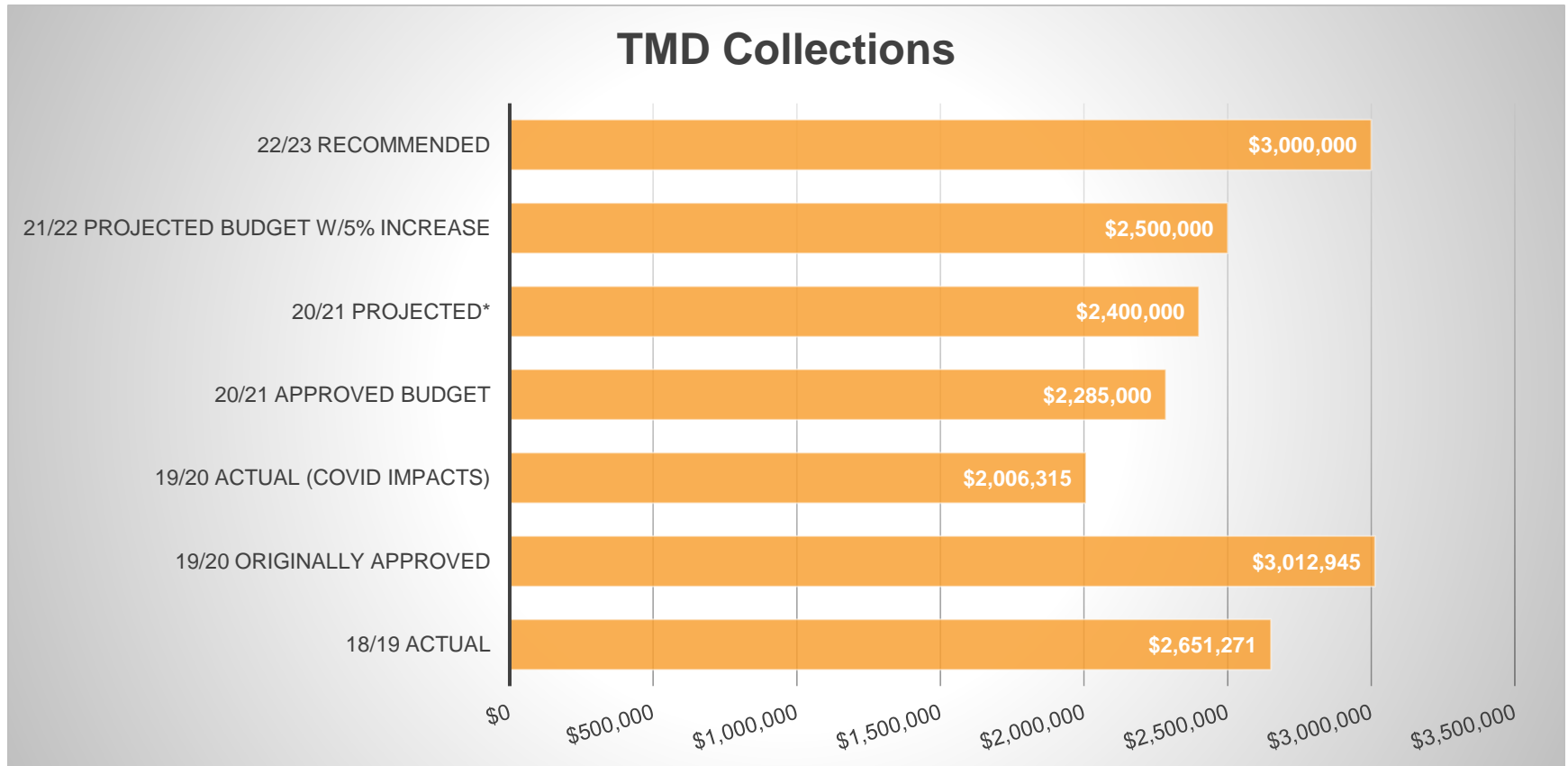
Santa Cruz County TMD Collections 2013/2014 through 2019/2020



New Room Inventory:

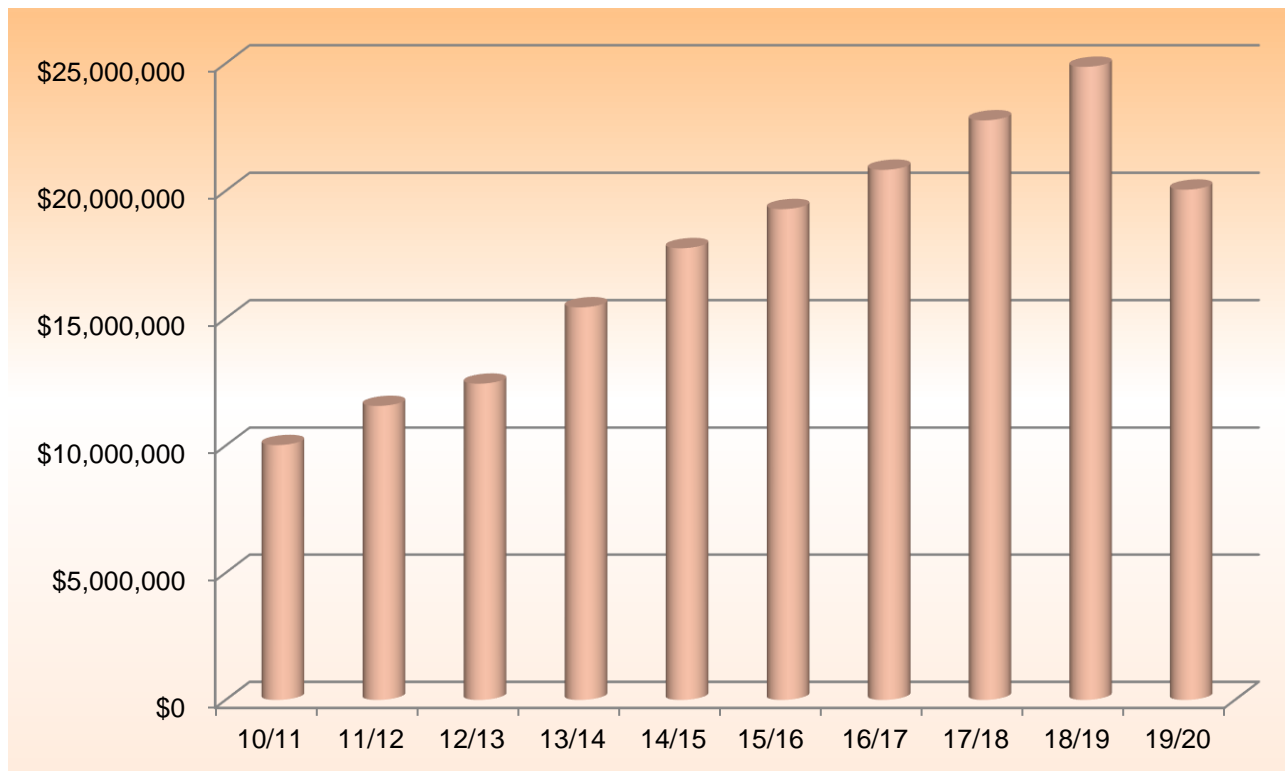
- Brookdale Lodge – Phase I opened June 2018
- Fairfield Inn & Suites by Marriott Santa Cruz – April 2016
- Four Points by Sheraton Scotts Valley – December 2018
- Hyatt Place Santa Cruz – August 2017

TMD Collection Analysis

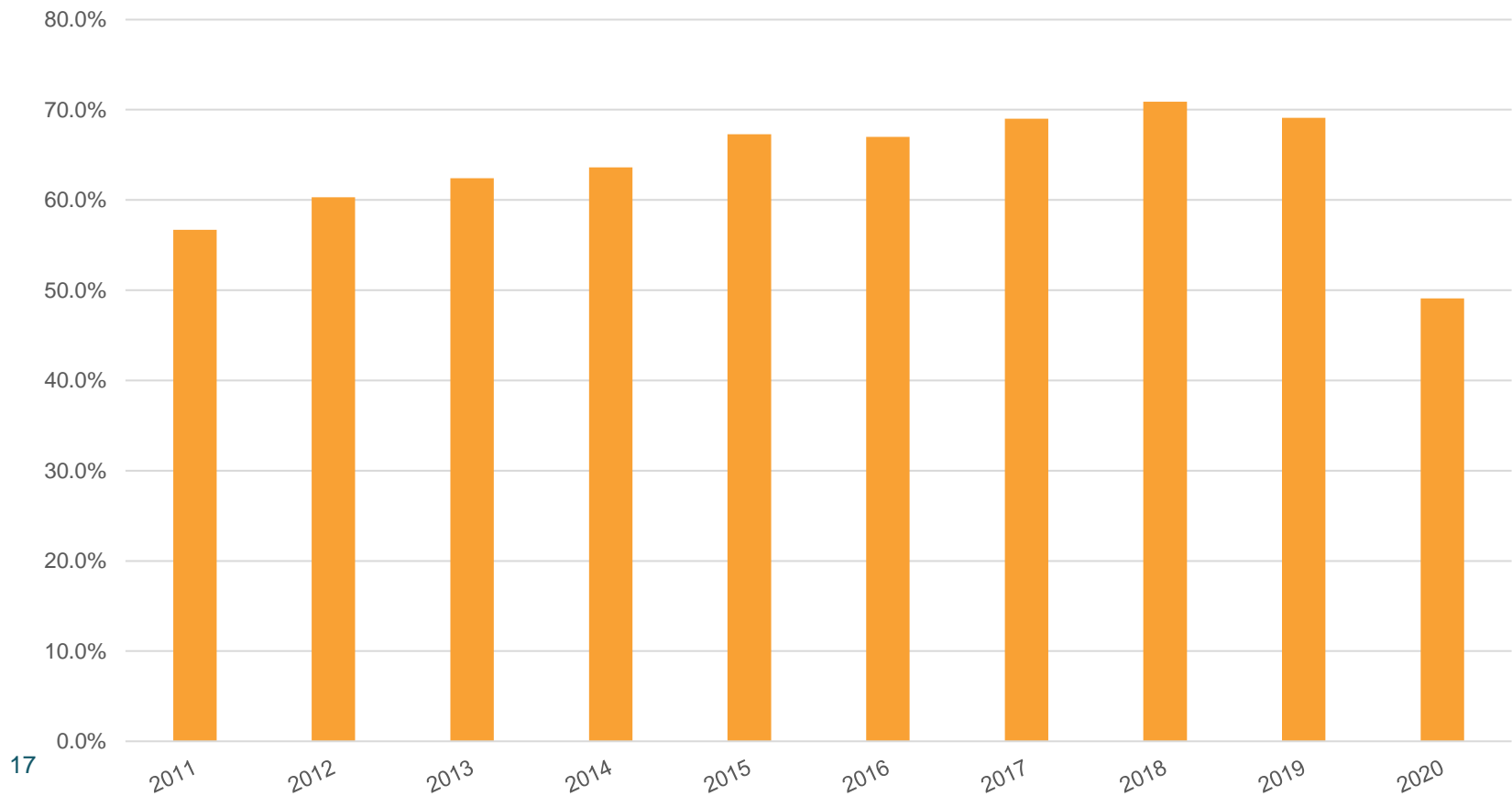


Tourism Industry Measurables

Santa Cruz County TOT Collections



Santa Cruz County Occupancy 2011-2020



Economic Benefit and COVID Losses

- Annual Tourism Economic Impact in Santa Cruz County in 2019: Over \$1 billion annually in consumer spending
- Annual spending expected to decrease in 2020/2021 by 30% to 50% due to COVID-19
- Hotel occupancy down in 2020, on average, by 28% and RevPAR by 38%

Take the Safety Pledge!

SANTA CRUZ COUNTY

Thank You For Helping Us Open Safely

**Please
Take the
Pledge!**



Protect Others and Yourself



**Wear a
Mask**



**Social
Distance**

We pledge to serve you and provide a safe environment. We thank you for your pledge to do the same and help protect others including our hard working employees.

Let's Cruz Safely Commercial (Local Version)



Latest information on [Local Businesses Opening Safely](#) – [Take the Safety Pledge](#). [Click here](#) to see available lodging for debris flow evacuees.

[Santa Cruz County remains in the Purple Tier](#). For now, non-essential travel to Santa Cruz County is not advised.

[VISITORS](#) [MEETINGS](#) [TRAVEL TRADE](#) [WEDDINGS](#) [FILM](#) [PRESS](#) [BLOG](#)

 Steamer Lane Surf Report 59.05°F  

[HOME](#) [UPCOMING EVENTS](#) [THINGS TO DO](#) [FOOD & DRINK](#) [PLACES TO STAY](#) [DESTINATIONS](#) [PLAN YOUR TRIP](#)



LATEST INFORMATION ON OPEN BUSINESSES DURING COVID-19

[FIND THINGS TO DO](#)

[FIND A PLACE TO STAY](#)

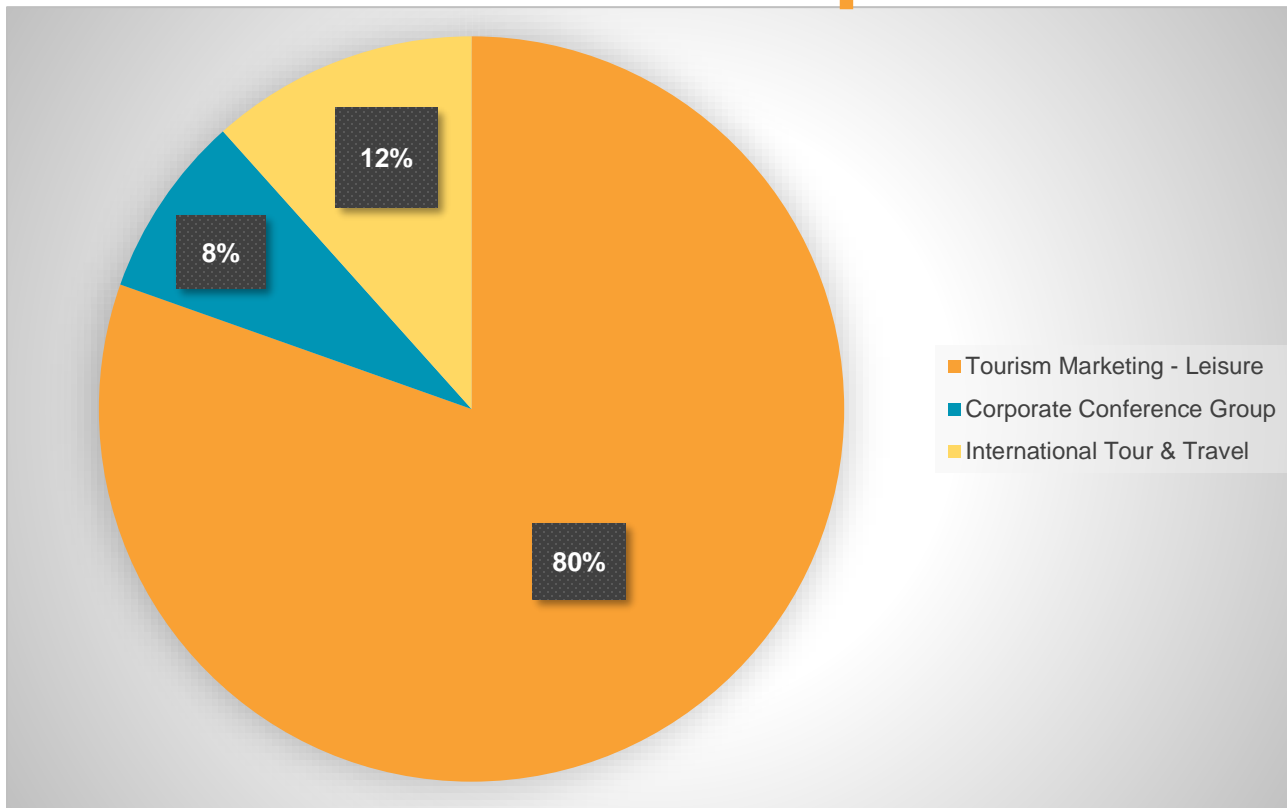
[FIND FOOD & DRINK](#)

TMD Marketing Metrics

TMD Focus and Accomplishments

- Branding
- Website Redesign
- Expansion of Digital Advertising
- Development of Segmented E-marketing
- Shoulder Season Campaign Expansion
- Social Media Growth
- Meetings Market
- International Marketing Efforts
- Extensive Content Creation

VSCC Marketing Budget 2018/2019 Domestic Leisure/Group/International*



Visit Santa Cruz County Website

Latest information on Local Businesses Opening Safely - [Take the Safety Pledge](#). [Click here](#) to see available lodging for debris flow evacuees.

[Santa Cruz County remains in the Purple Tier](#). For now, non-essential travel to Santa Cruz County is not advised.

[VISITORS](#) [MEETINGS](#) [TRAVEL TRADE](#) [WEDDINGS](#) [FILM](#) [PRESS](#) [BLOG](#)

 Steamer Lane Surf Report 63.46° F  

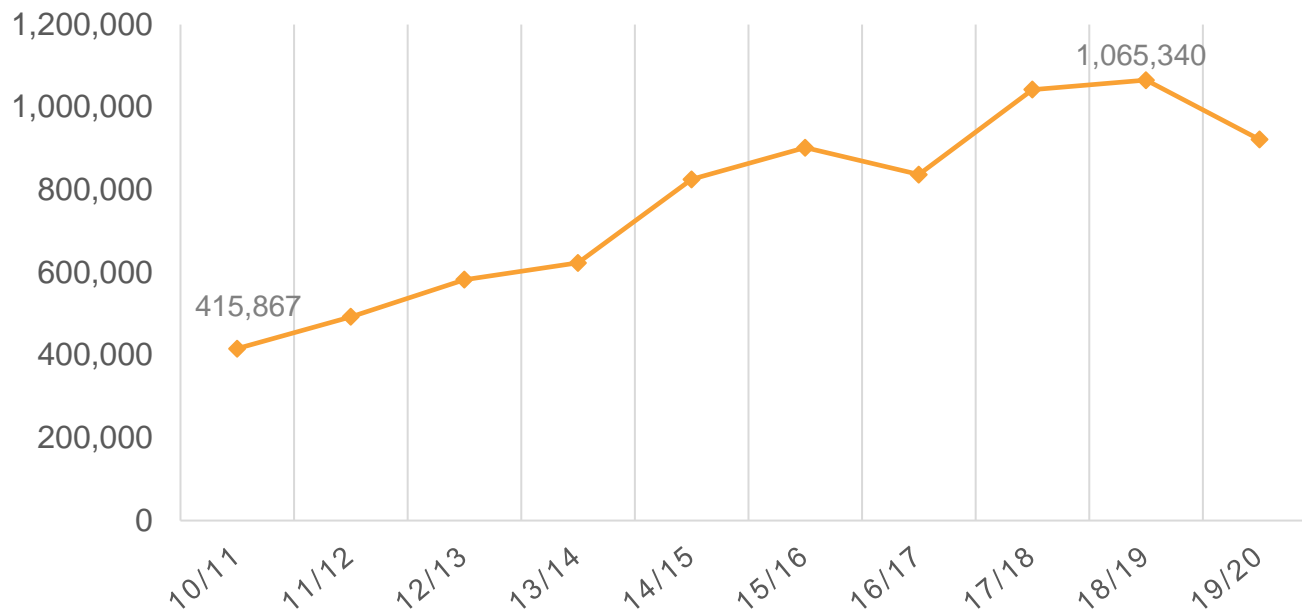


[HOME](#) [UPCOMING EVENTS](#) [THINGS TO DO](#) [FOOD & DRINK](#) [PLACES TO STAY](#) [DESTINATIONS](#) [PLAN YOUR TRIP](#)

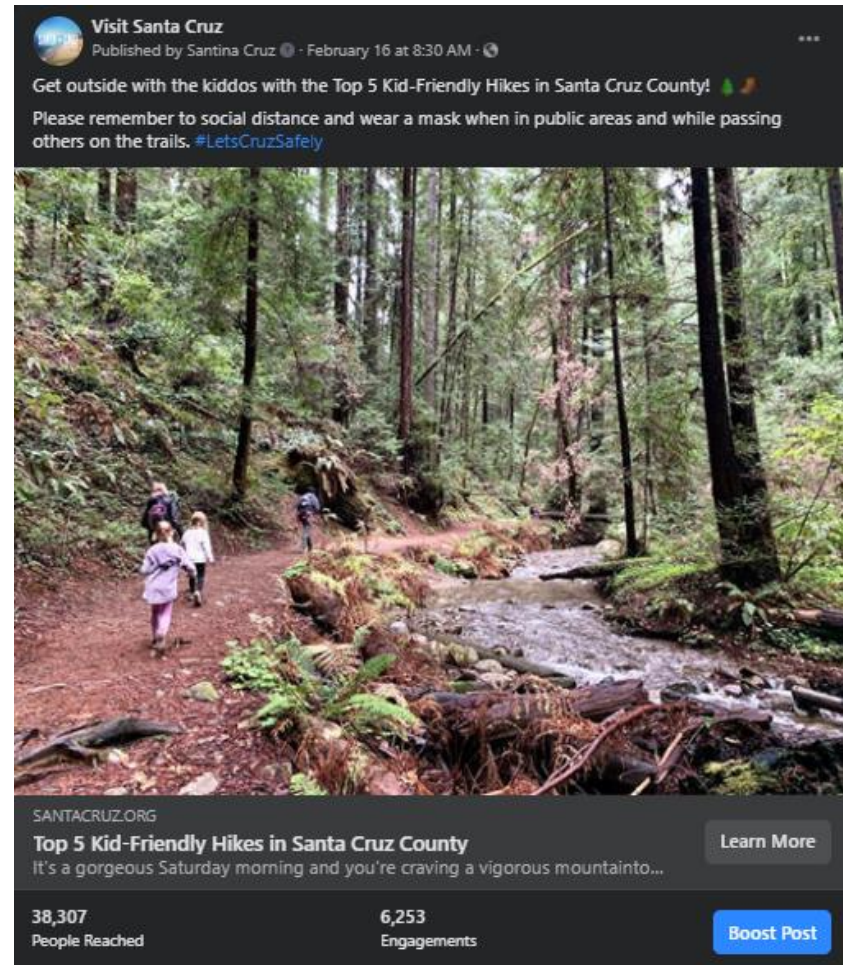
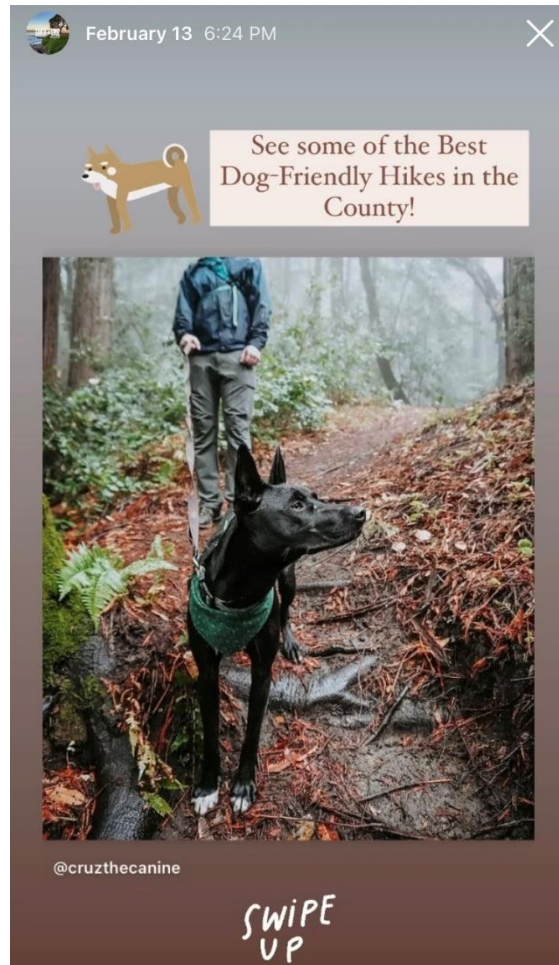


VSCC Website Traffic

TOTAL WEBSITE TRAFFIC LAST 10 YEARS

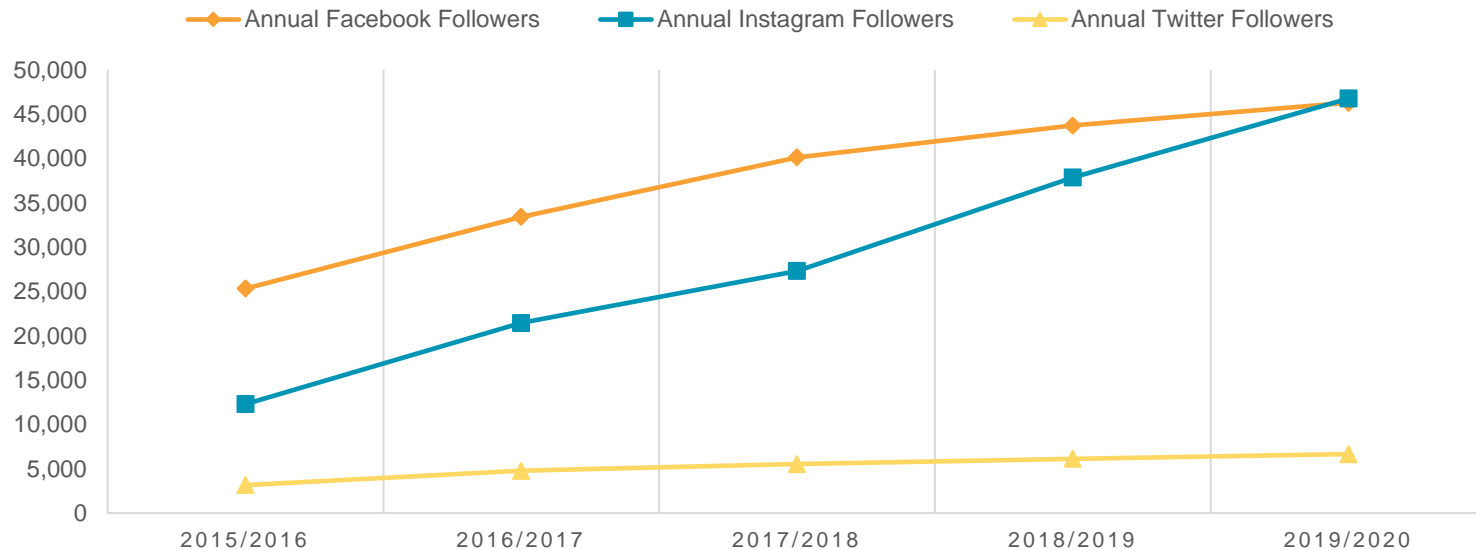


Social Media Marketing



Social Media Growth

GROWTH OF SOCIAL MEDIA FOLLOWERS LAST 5 YEARS



| Fiscal Year | Annual Facebook Followers | Annual Instagram Followers | Annual Twitter Followers |
|-------------|---------------------------|----------------------------|--------------------------|
| 2015/2016 | 25,344 | 12,309 | 3,176 |
| 2016/2017 | 33,433 | 21,472 | 4,798 |
| 2017/2018 | 40,144 | 27,341 | 5,555 |
| 2018/2019 | 43,743 | 37,870 | 6,140 |
| 2019/2020 | 46,309 | 46,793 | 6,665 |

Growth of Online/Social Efforts FY 2014/2015 – 2019/2020

| SantaCruz.org Traffic | 2014/2015 | 2019/2020 | % Change |
|-----------------------------------|-----------|-----------|----------|
| Website Visits | 825,371 | 921,645 | 11.66% |
| Mobile Visits - Referrals to Site | 292,130 | 609,371 | 108.60% |
| Facebook Followers | 14,563 | 46,309 | 217.99% |
| Santa Cruz Blog Page Views | 87,334 | 493,971 | 465.61% |
| Twitter Followers | 2,902 | 6,665 | 129.67% |
| Instagram Followers | 12,309* | 46,793 | 380.15% |

*VSCC started tracking Instagram metrics in 2015/2016

Visitor E-newsletter Expansion



56,747
Subscribers

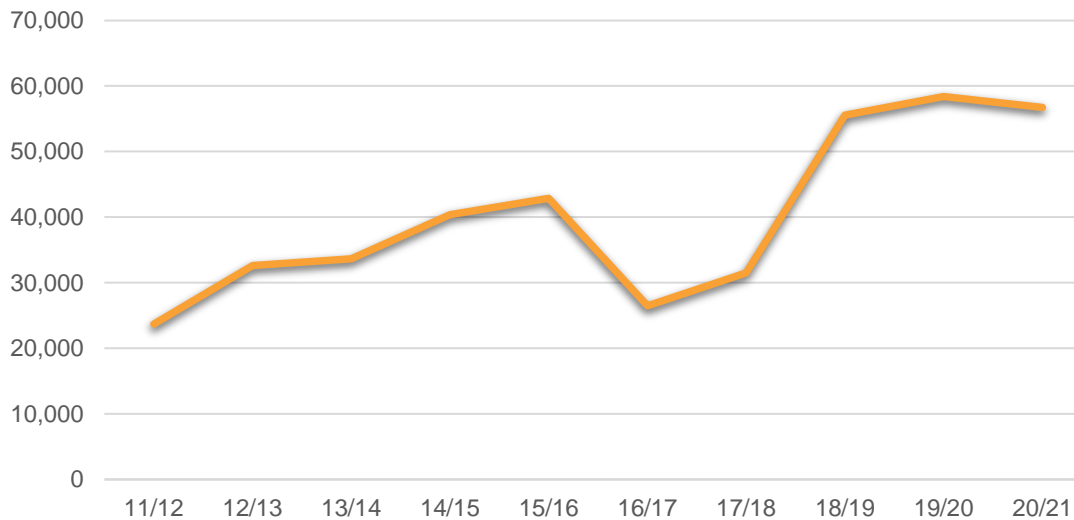
1-3 emails sent per
month, to a
combination of the
full subscriber list
and the segmented
lists

Areas of Interest Segmented Emails:

- ★ Arts & Entertainment
- ★ Family Fun
- ★ Foodie
- ★ Heritage Tourism
- ★ Outdoor Adventure
- ★ Pet-Friendly
- ★ Relax & Rejuvenate
- ★ Wildlife Watching
- ★ LGBTQ+

Visitor E-News Subscribers 2011/2012 – 2020/2021

**Visitor E-News Subscriber Growth
2011/2012 - 2020/2021**



| Year | # of Subscribers |
|-------|------------------|
| 11/12 | 23,679 |
| 12/13 | 32,633 |
| 13/14 | 33,635 |
| 14/15 | 40,380 |
| 15/16 | 42,872 |
| 16/17 | 26,482 |
| 17/18 | 31,505 |
| 18/19 | 55,576 |
| 19/20 | 58,377 |
| 20/21 | 56,747 |

International Marketing Increased Visitation from 8% to 13%

- Trade shows/FAMS/Direct Sales/PR
- Collaboration with Visit California
- UK, Germany, Canada & Australia



International Marketing Initiatives



**Post-IPW FAM
Santa Cruz
County**



**UK Media Mission
London Refinery Media
Reception - July 2019**



AllThingsMeetings

HB | HELMSBRISCOE



Smartmeetings
INSPIRING BRILLIANT EXPERIENCES

Meetings Market Program Introduction

- Cvent & Digital Marketing
- Social Media
- 139 Leads sent in 2018/2019
- 186 Leads sent in 2019/2020
- Meetings E-newsletter and video production on temporary hold

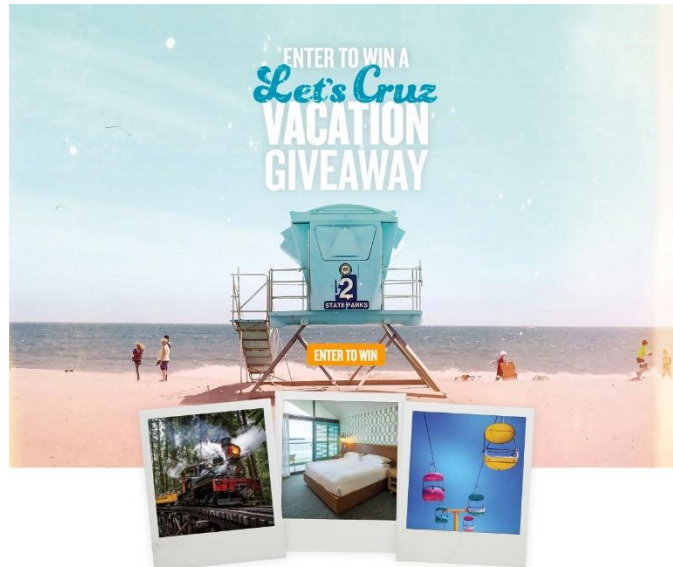
Meetings Market Program

- Working with conference hotel partners and team-building companies
- Building the Brand
- Promotional Support
 - Destination booth presence at trade shows
 - Familiarization tours for meeting planners
 - Various website and online promotional support



Moving Forward

Spring Campaign 2021



WIN A VACATION GIVEAWAY

Choose your own Santa Cruz County adventure with our customizable Let's Cruz Vacation Giveaway! The grand prize includes a two-night stay at Dream Inn Santa Cruz, four (4) passes to the Santa Cruz Beach Boardwalk, and four (4) passes to Roaring Camp Railroads. Plus, choose up to four (4) additional Santa Cruz County activities for your customizable vacation.

ENTER TO WIN

CHOOSE YOUR OWN ADVENTURE

Select up to four (4) of the following activities for your customized vacation.



Let's Cruz Safely Commercial Spring Campaign Contest



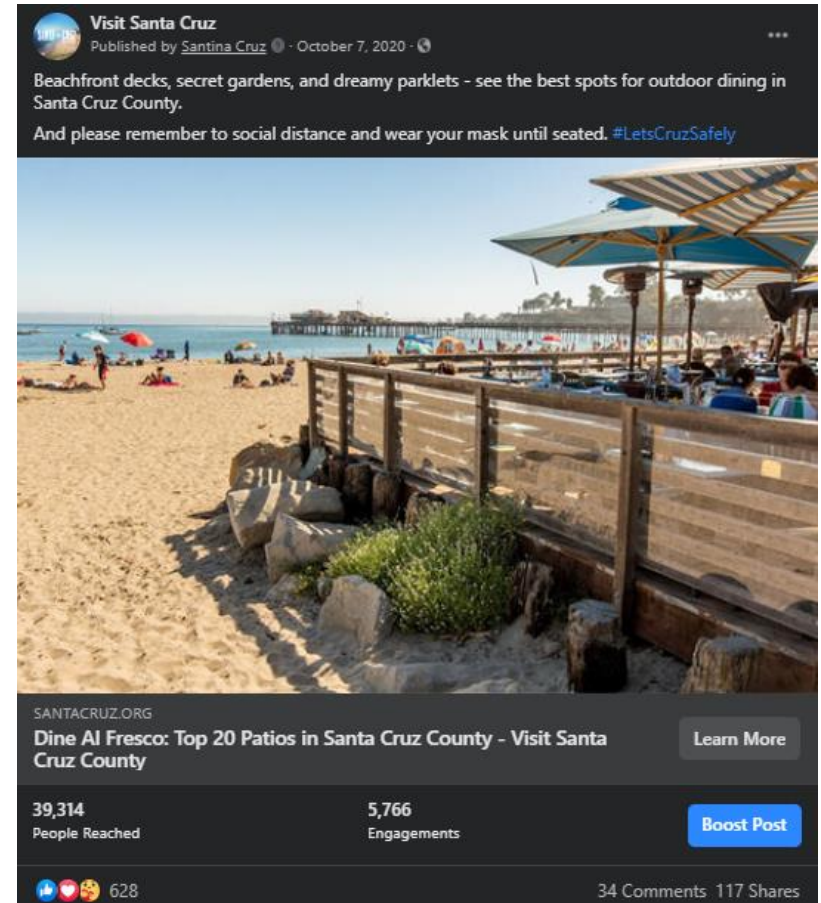
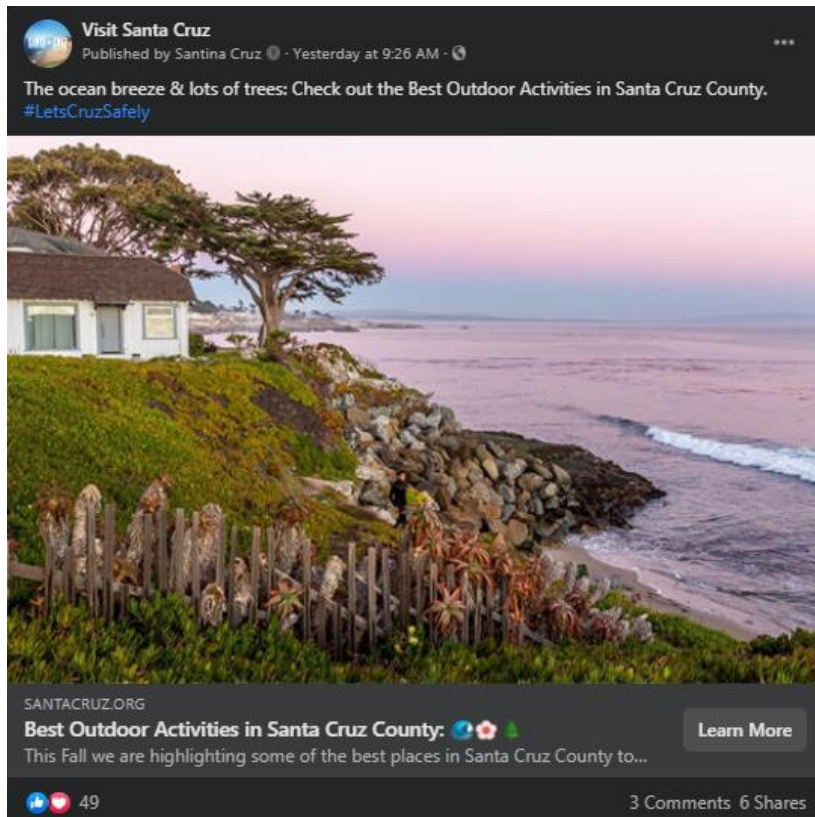
Spring Campaign Digital Marketing



2021 Spring Campaign Digital Ad Placement

- ❖ Bay Area Parent
- ❖ Bay Area Reporter
- ❖ Diablo
- ❖ DogTrekker
- ❖ Metro Bay Area
- ❖ Outword Magazine
- ❖ Pandora
- ❖ Q.Digital
- ❖ SF Gate
- ❖ The Inertia
- ❖ Visit California

Spring Campaign Social Media



Questions & Answers

