



**CITY OF SANTA CLARITA  
TOURISM MARKETING DISTRICT (TMD)**

2022 - 2023  
Annual Report

2023 - 2024  
Initiatives and Budget

# Tourism Marketing District Overview

## BACKGROUND

The Santa Clarita Tourism Marketing District (TMD) was formed in May 2010 in accordance with the Parking and Business Improvement Area Law of 1989, Part 6 of Division 18 of the California Streets and Highways Code (1989 Law) and the provisions of the California Constitution Article XIIIID (Proposition 218).

The TMD allows assessed lodging businesses within the City of Santa Clarita (City) to support efforts to increase tourism in the City, which in turn increases hotel room night stays and, therefore, increases Transient Occupancy Tax (TOT) revenue back to the City.

Lodging businesses are assessed a two-percent fee for each room night. The TMD uses these dollars to fund programs, services, and special events that will deliver incremental new room night sales to its assessed members. The TMD works to create strong, measurable results in bringing more visitors to Santa Clarita.

## 2023-24 ADVISORY BOARD

The Advisory Board consists of one specified representative from each of the participating hotels within the Hotel Tourism Marketing Benefit Zone and two City representatives selected by the City Manager.

The following lists the entities currently represented on the Advisory Board:

<b>ORGANIZATION, BOARD MEMBER, &amp; TITLE</b>
<b>Best Western</b> – Brett Thomas, General Manager
<b>Courtyard by Marriott</b> – Alissa Elhelou, General Manager
<b>Embassy Suites</b> – Billy Dye, General Manager
<b>Holiday Inn Express</b> – Karina Winkler, General Manager
<b>Homewood Suites</b> – Lawrence Barr, General Manager
<b>Hotel Lexen</b> – Vimal Desai, Owner
<b>Hyatt Regency Valencia</b> – Tom Clearwater, General Manager
<b>SpringHill Suites   Residence Inn</b> – Shannon Hillygus, General Manager
<b>City of Santa Clarita</b> – Thomas B. Cole, Economic Development Director
<b>City of Santa Clarita</b> – Evan Thomason, Economic Development Associate

## ANNUAL REPORT

This report provides a recap and overall description of the proposed activities to be funded by the assessment, the estimated annual budget of expenses, and estimated revenues for Fiscal Year 2023-24 (commencing July 1, 2023, and ending June 30, 2024).

# Summary of Services & Activities

The TMD funds various services and activities which bring special benefits to the TMD hotels. These services include, but are not limited to:

- Promotion of the City through the financial support of key regional and national events that support tourism
- Development and implementation of destination marketing strategy and promotion designed to increase visitor attraction to the City
- Development and undertaking of an advertisement and public relations program focused on business and leisure travel
- Support and funding of the Summer Visitor Trolley program
- Attendance at key meetings and event producer trade shows

Assessment fees are dedicated to securing visitors and room nights through marketing programs, projects, and activities including: marketing promotion, advertising, public relations, visitor services, market research, partnership marketing, and special events promotion. This year, TMD reserve funds were used for infrastructure improvements at The Cube Ice and Entertainment Center to facilitate its opening for tournaments.

Programs and Services for Fiscal Year 2022-23 included:

- Tourism advertising campaigns, via digital media, targeting leisure travelers in the drive-market (400-mile radius)
- Summer Visitor Trolley program
- Attended business development tradeshows and market forums including: California Society of Association Executives Seasonal Spectacular, Religious Conference Management Association Emerge Conference, U.S. Travel Association IPW, and Visit California Outlook Forum

## Sports Tourism

From amateur events to regional and national championships, Santa Clarita is a premier sporting destination. Sports Tourism is an important sector in the travel industry. TMD funding is available to attract more in-town sporting events and their overnight visitors that participate. Some of the events that Santa Clarita previously hosted as a direct result of the established district include:

- Southern California Community College Cross Country Championship
- Hollywood Curling Summer Blockbuster Bonspiel
- Flag Football World Championship Tour
- Los Angeles Spartan Race
- Amgen Tour of California
- AT&T Champions Classic
- CA Youth Chess League Scholastic Championship



# Transient Occupancy Tax

## 2002 - 2022

In the City of Santa Clarita, the Transient Occupancy Tax (TOT) is 10 percent, paid by each hotel room occupant (transient) to the operator of the lodging establishment. The revenues from the TOT go to the City's General Fund. In calendar year 2022, \$5,145,103.75 in TOT was generated.



### SANTA CLARITA LODGING PERFORMANCE FROM 12/2022 STR REPORT (City of Santa Clarita+) Year to Date

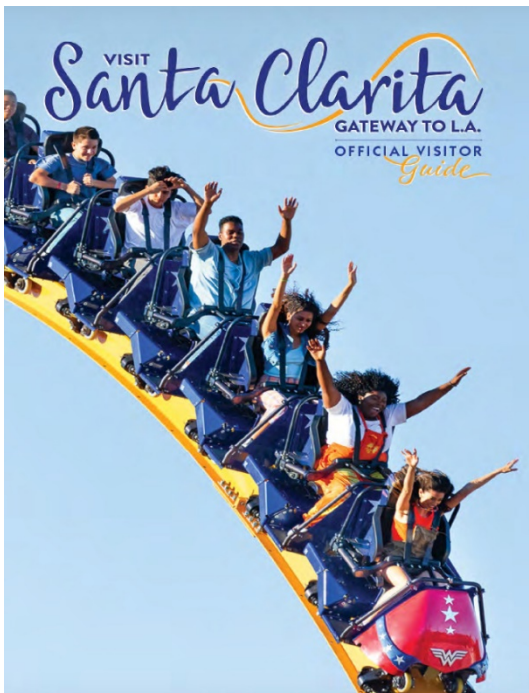
2022 CALENDAR YEAR	2021	2022
Average Occupancy	68.7%	77.5%
Average Daily Rate (ADR)	\$145.78	\$159.49
Average Revenue Per Available Room (RevPar)	\$100.08	\$123.61

# Advertising

TMD dollars successfully launched comprehensive multi-media advertising campaigns, inclusive of print, digital ad networks, and social media outlets to attract visitors. Marketing efforts focused on existing feeder markets within a 400-mile radius of Santa Clarita. TMD dollars allow simultaneous efforts to market to different audiences, direct consumer/leisure travelers, corporate meeting and conference planners, and sports tourism event producers. A marketing campaign results in successful branding, measurable hotel room bookings, an increase in year-over-year traffic to the Tourism website, and increased corporate meetings and events. The upward momentum of using TMD funds to market Santa Clarita as a destination continues to prove successful.

## Media Strategy

- Highlight the primary differentiating factors that Santa Clarita offers to leisure travelers (geography/proximity, value, experiences unique to the region)
- Target the drive-market audience with engaging advertising that directs users to the content published on VisitSantaClarita.com (thrills, outdoor adventure, family fun, and entertainment)
- Focus media plan on conversions through digital channels, including display, mobile, video, email, and social units
- Geo-target plan, with a heavy emphasis on top-performing California markets
- Deliver ads to contextually relevant placements through pre-determined content categories: family fun, outdoor adventure, entertainment, and thrills
- Target known audiences in the market for Los Angeles-area travel
- Drive social interaction through the use of sweepstakes



# FY 2022-23 Leisure Campaign Results

The TMD organized multiple advertising campaigns in FY 2022-23. These are the results of the Phase 2 campaign that ran from January 1 – February 15, 2023.

## DIGITAL DISPLAY

12,072,975 impressions

47,155 clicks

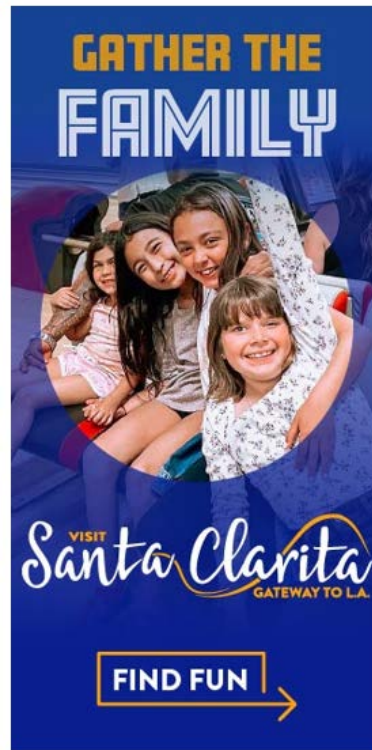
## PERFORMANCE MARKETING

13,552 leads generated

## SOCIAL MEDIA

2,525,464 impressions

24,569 clicks



## Social Media Channels



FACEBOOK

32,241 followers



TWITTER

4,500 followers



INSTAGRAM

7,796 followers

# FY 2023-24 Initiatives

During FY 2023-24, it is anticipated that one new hotel will open its doors. The Hampton Inn will add 78 rooms to the current inventory and be a dual-branded hotel with the existing Homewood Suites. Occupancy levels may dip initially when the new rooms are added to the inventory, but are expected to level and increase.

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

## **Business-Driven Sales and Advertising**

- Focus marketing efforts directed at drive and feeder markets
- Continue efforts on conversions through digital channels, including display, mobile, video, email, and social units, including geo-targets
- Continue to create engaging and informative online assets to attract new customers
- Create incentives to attract meeting professionals and increase bookings
- Attend trade shows that provide the most opportunity for convention/meeting lead generation

## **Destination & Partnership Development**

- Expand cooperative marketing initiatives and partnership opportunities with Visit California, Discover Los Angeles, and media connections through IPW
- Support public relations initiatives to drive visitation and economic development
- Event attraction

The TMD regularly supports large-scale sporting and other events, such as the California Beer Festival's Boots & Brews, Boots in the Park, as well as other concerts and meetings. These events not only provide a positive economic impact to the City but have made Santa Clarita known as a city that hosts quality regional events with strategic partnerships. Special events held in 2022 brought in over 2,100 trackable room nights to the Santa Clarita TMD hotels. The TMD will strive to increase those numbers in the coming years as large-scale events continue to ramp up to pre-pandemic levels.

The TMD will work on bringing back and expanding annual events and developing new tournaments, including those that can be accommodated at The Cube Ice and Entertainment Center. With the acquisition of ice coverings for the 17,000 square-foot NHL ice rink, the attraction of large-scale, non-ice events, including meetings or sporting events such as wrestling or karate, can now be sought to attract to Santa Clarita in 2023 and beyond.

# FY 2023-24 BUDGET

<b>Division/Program: Economic Development – Tourism Marketing District</b>		
<b>Fund Name: Tourism Marketing District</b>		
<b>Account Number: 3603504</b>		
<b>Personnel</b>		
<b>500201</b>	Part-Time Staff	\$29,641
<b>Operations &amp; Maintenance</b>		
<b>510102</b>	Membership & Dues	\$6,765
<b>510104</b>	Printing	\$24,000
<b>511101</b>	Special Supplies	\$1,000
<b>513103</b>	Telephone Utility	\$1,250
<b>516101</b>	Contractual Services	\$90,000
<b>516102</b>	Professional Services	\$188,000
<b>516104</b>	Advertising	\$194,505
<b>516105</b>	Promotion & Publicity	\$20,000
<b>516108</b>	Graphic Design Services	\$5,300
<b>519101</b>	Travel & Training	\$9,000
<b>519104</b>	Auto Allowance & Mileage	\$600
<b>Total Operations &amp; Maintenance FY 2023-24</b>		<b>\$540,420</b>
<b>Beginning Fund Balance 7/1/2022</b>		<b>\$853,142</b>
<b>2022-23 Revenue</b>		<b>\$918,930</b>
<b>2022-23 Expenditures</b>		<b>\$942,744</b>
<b>Estimated Ending Fund Balance 6/30/2023</b>		<b>\$829,328</b>