Jon Glidewell 1111 N Main St Fort Bragg, CA 95437

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Fort Bragg City Council 416 North Franklin Street Fort Bragg, CA 95437

Subject: Potential tax increases (TOT and Sales) on November ballot

Dear Members of the Fort Bragg City Council,

I am writing to you regarding the proposed tax measures that you will be considering for placement on the November ballot: a 2% increase in the Transient Occupancy Tax (TOT) and a 3/8 cent increase in Sales Tax. As a proud resident and supporter of our local economy, I would like to share my thoughts on these proposals and their potential impact on our community.

First and foremost, I believe that these tax increases could be beneficial for Fort Bragg if implemented thoughtfully. However, I strongly urge the Council to consider designating a reasonable portion of the increased revenue towards our local tourism program, specifically Visit Fort Bragg. Allow me to explain why this allocation would be crucial for our city's economic growth and prosperity.

Recent data from our county's destination marketing organization (DMO) provides compelling evidence of the effectiveness of tourism marketing in our region. In January 2023, Visit Mendocino County (VMC) released the results of an influence and return on investment (ROI) study, which showed an extraordinary 86:1 ROI ratio for their marketing programs. This means that for every dollar invested in tourism marketing at the county level, the region saw a return of \$86.

While this study was conducted at the county level, it has significant implications for Fort Bragg:

- 1. Proven Effectiveness: The study demonstrates that destination marketing is highly effective in our region, suggesting that similar strategies employed by Visit Fort Bragg could yield substantial returns for our city.
- 2. Economic Multiplier Effect: Effective tourism marketing creates a ripple effect throughout the local economy, supporting jobs in hospitality, retail, transportation, and various service industries specific to Fort Bragg.
- 3. Competitive Advantage: In an increasingly competitive tourism landscape, strong marketing efforts can help Fort Bragg stand out as a must-visit destination within Mendocino County.
- 4. Sustainable Growth: By attracting visitors through strategic marketing, we can ensure a more stable and predictable economic future for Fort Bragg.

Given these insights, I believe that the proposed tax increases could be supported by the community if a clear commitment is made to reinvest a portion of the new revenue into our local tourism program. Here are my recommendations:

- 1. Allocate a Percentage to Visit Fort Bragg: Designate a specific percentage of the increased TOT revenue to be invested directly in Visit Fort Bragg. This will allow our local DMO to expand its marketing efforts and potentially achieve ROI levels similar to those seen at the county level.
- 2. Enhance Visitor Experience: Use a portion of the new Sales Tax revenue to improve Fort Bragg's tourism infrastructure. This could include upgrading local attractions, enhancing public spaces, and developing new experiences that will encourage longer stays and increased spending within our city.
- 3. Regular Performance Evaluation: Commit to conducting regular ROI studies specific to Fort Bragg's tourism efforts to ensure accountability and optimize our marketing strategies.

By making these commitments, the Council can demonstrate to the voters that these tax increases are not just about raising revenue, but about making strategic investments in our city's future. The potential for significant returns on our investment in tourism has been clearly demonstrated at the county level, and with your support, we can realize similar benefits for Fort Bragg.

In conclusion, while tax increases can be a sensitive topic, I believe that the proposed TOT and Sales Tax measures could gain support if they are coupled with a clear plan to reinvest in our local tourism program. This approach would not only help justify the increases but also set the stage for sustainable economic growth in Fort Bragg.

Thank you for your time and consideration. I trust that you will take these thoughts into account as you deliberate on these important measures.

Sincerely,

Jon Glidewell Regional Manager, Beachcomber Hotel Group 707.964.2402 | jon@thebeachcombermotel.com