



**CITY OF FORT BRAGG**

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**COUNCIL COMMITTEE ITEM SUMMARY REPORT**

**MEETING DATE:** May 6, 2015  
**TO:** Finance and Administration Committee  
**FROM:** Jennifer Owen, Housing & Economic Development Coordinator  
**AGENDA ITEM TITLE:** **Receive Fort Bragg Promotion Committee Progress Report and Fiscal Year 2015-16 Marketing Plan and Budget and Make Recommendation to City Council Regarding FY 2015-16 Activities**

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**ISSUE:**

Since November 2010, the City Council has contracted with the Mendocino Coast Chamber of Commerce (Chamber) to carry out Fort Bragg promotion activities with assistance of the volunteer Fort Bragg Promotion Committee (FBPC). The Professional Services Agreement (the Agreement) between the City and the Chamber has been amended each year by City Council, beginning in June 2011, to renew Agreement terms for an additional year and to approve the following fiscal year FBPC Annual Marketing Plan and Budget. The current Agreement expires June 30, 2015. The FBPC has prepared a 2015-16 Annual Marketing Plan and Budget for review by the Finance and Administration Committee (FAC).

The Council has prioritized implementation of the City's Economic Development Strategy, which includes marketing and promotion of Fort Bragg. Due to recent vacancies in the Chamber executive officer position and the need to re-bid other FBPC contracts, it is an opportune time to consider whether FBPC activities should once again be taken "in house" and managed by the Community Development Department. Staff is seeking direction from Council as to how Fort Bragg promotional activities should proceed for fiscal year 2015/2016.

**SUMMARY:**

**History of FBPC operations**

In early 2010, staff conducted research and a series of meetings to seek feedback regarding the mission and goals of the FBPC and to identify issues and potential solutions to help improve the administration of the City's marketing and promotional activities. At that time, the FBPC had been operating for 11 years as a five-member committee, appointed by City Council and supported by City staff. In April 2010, staff brought a comprehensive report of findings to the Finance and Administration Committee (FAC). In 2010, the all-volunteer FBPC board was recognized as having accomplished an impressive array of promotional tasks despite limited

resources. Primary challenges to FBPC success at that time included over-reliance on the volunteer board to supervise and implement FBPC activities and limited availability of staff time to oversee and support the FBPC. Suggestions for a future model of the FBPC, as presented by staff at the April 10, 2010, FAC meeting included the following:

- Need for focus and direction through use of short-term (1-year) and longer-term (5-year) goals and measures of success;
- Need for FBPC autonomy, free of restrictions imposed by the City Committee structure and procedures;
- Need for paid FBPC leadership, with necessary skills to include computer/internet, marketing and administrative skills;
- Need for sustainable revenue sources, including continuation of the City's current Transient Occupancy Tax (TOT) allocation and elimination of third-party event grants that had been a FBPC practice.

In addition, at the April 2010 FAC meeting, representatives of the Mendocino Coast Chamber of Commerce (Chamber) and Visit Mendocino County (VMC) each suggested that their organization could assume FBPC administration and operate the FBPC as a sub-committee.

At the May 13, 2010, FAC meeting, a recommendation was brought forward to negotiate a contract with the Chamber to administer and deliver Fort Bragg promotion activities. After a series of negotiations and clarifications, the recommendations from this meeting eventually resulted in a vote by City Council on November 22, 2010, to dissolve the City FBPC and to enter into an Agreement with the Chamber to operate the FBPC as a Chamber sub-committee. The entire FBPC budget was provided to the Chamber, along with an additional City contribution of \$6,000 per year towards the \$12,000 per year Chamber administration fee. Particulars of the contractual arrangement were provided in the Consultant's Scope of Work attached to the original contract between the City and the Chamber (see Attachment 1). The original Agreement has been amended each year for the past four years, beginning in June 2011, to provide for a similar arrangement for the following year. At the time each contract amendment has been authorized, the City Council has also approved the FBPC's proposed annual Marketing Plan and Budget to guide the following year's FBPC activities.

Per terms of the Agreement, the Chamber and FBPC are to present an interim and annual progress report to the FAC and annual report to City Council. By June of each year, the FBPC and Chamber are to approve an Annual Marketing Plan and Budget for the next fiscal year and present it to City Council for final approval, concurrent with approval of the City's annual budget. At the same meeting, annual extension of the Chamber Agreement is also typically approved.

### **Current status of FBPC operations**

Under Chamber administration, the FBPC has also generated an impressive list of accomplishments. The FortBragg.com website offers a wide variety of rich content to engage and inform both visitors and residents, and in 2014, over 20,000 visits per month were recorded at the site. The FBPC Facebook page has over 17,000 "likes", and activities have expanded to Pinterest (at 169 followers as of March 2015). The FBPC contracts with a Marketing Communications consultant to implement promotional activities including website enhancements and social media. Long-time promotional consultant Bruce Lewis of Lewis Summers & Associates (LSA) retired as of June 30, 2014, and after a Request for Proposals process, Julia Conway was hired to replace LSA for fiscal 2014-2015. In addition to web-based promotional activities, FBPC member activities have included planning, hosting and marketing of downtown shopping events; contributions to the Fort Bragg Fireworks displays; payment for holiday American Flag Displays; and support for the Fort Bragg-Mendocino Gateway to the

California Coastal National Monument. The FBPC members have also taken an active role in design and installation of light pole banners and have provided expertise and funding for holiday decorations. The FBPC membership is currently at six members, and a seventh member has recently applied, which will bring membership to the maximum number allowable per the Agreement. The FBPC approved a fiscal year 2015-16 Marketing Plan and Budget at their last meeting, and the draft budget is attached for FAC review (see Attachment 2). FBPC members will be present to provide an oral update regarding additional accomplishments and to answer questions.

Despite FBPC successes, challenges persist. As a volunteer committee administered by a busy Chamber executive, the FBPC has difficulty in ensuring that planned tasks are accomplished in reasonable timeframes and that planned expenditures are incurred within each budget year. Regular website maintenance, especially related to the updates to the business directory, and planned website improvements including a retail product inventory and development of a mobile app, have not been implemented due to personal challenges faced by the web contractor. The web contractor has recently resigned, and a new contractor must be secured as soon as possible. The current contract with the Marketing Communications contractor expires on June 30th, and a new Request for Proposals must be developed and released prior to the termination date of the current contract. Last month, Chamber CEO Debra DeGraw left the Chamber for another position. An interim Chamber CEO has been hired, and the Chamber will complete a recruitment process for a permanent replacement. The turnover in the Chamber CEO and other positions creates some uncertainty as to how the FBPC will be administered in the future.

### **Addressing challenges and considering changes**

With the turnover in the Chamber CEO and planned non-renewal of current FBPC subcontractors, there is an opportunity to address challenges before renewal of the Chamber contract for the next fiscal year. The following are alternatives developed based on input from staff and community:

#### **1. Continue with Chamber management of the promotional budget and the FBPC with the following changes:**

- a. Requests for Proposals for sub-contracts, as well as draft sub-contracts, should be reviewed and approved by the FAC prior to issue.
- b. All sub-contracts should include a termination clause.
- c. All sub-contracts should include timelines, budgets, and accountability measures so that progress toward goals can be objectively measured and shortcomings can be timely addressed.
- d. All sub-contracts should clearly indicate that the Chamber is responsible for sub-contract implementation and monitoring. FBPC members may assist the Chamber in sub-contract management, but the Chamber is ultimately responsible for sub-contracts.
- e. The Chamber should use the Annual FBPC Marketing Plan and Budget as a tool to develop and plan monthly activities, timelines, expenditures, and goals. Progress towards timelines, expenditures, and goals should be evaluated at each FBPC meeting.
- f. Current and prior FBPC meeting agendas and minutes should be posted at the FortBragg.com website.

#### **2. Keep promotional dollars at the City and operate the FBPC as an advisory committee.**

- a. This model would require dedicated City staff time to manage contracts and committee activities.

- b. The FBPC fulfills an important role and should be retained as an advisory board to act as a liaison to the business community, to provide promotional expertise, and to provide information and advice regarding promotion activities and expenditures.
- c. The Community Development Committee (CDC) would be an appropriate committee to oversee expenditure of promotional funds and to liaison with the FBPC.
- d. The FBPC should be expanded to include up to 10 community members.
- e. A Marketing Communications contract should be issued and managed by the City, through the CDC, to implement Fort Bragg promotion activities, to include public relations, web content development, and other activities approved in the annual marketing plan and budget.
- f. Website development and maintenance will also require either dedicated City staff or issuance of a new contract.

**RECOMMENDATION:**

Consider alternatives to provision of fiscal year 2015-2016 promotional activities and provide direction to staff.

**ATTACHMENTS:**

1. Current Scope of Work from the Agreement between the Chamber and City for provision of promotional activities.
2. Fiscal Year 2015-2016 FBPC Marketing Plan and Budget